

**Michigan County Road Commission  
Self-Insurance Pool**

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**Comprehensive Annual Financial Report  
March 31, 2005**

Prepared by:

Thomas P. Brouwer, Administrator

Gayle Pratt, Assistant Administrator  
and Director of Finance

Finance Department

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## **Introductory Section**

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# MICHIGAN COUNTY ROAD COMMISSION SELF-INSURANCE POOL

May 23, 2005

## *Board of Directors*

**Chairman**  
Karl A. Schmidt  
*Jackson*

**Vice Chairman**  
Sharon K. Hice  
*Eaton*

**Jeff J. Best**  
*Kent*

**Lonny L. Lutke**  
*Missaukee*

**Louis N. MacDonald**  
*Chippewa*

**Donald M. Maronde**  
*St. Clair*

**Chalmers McGreaham**  
*Iron*

**Dorothy G. Pohl**  
*Ionia*

**Michael A. Roper**  
*Oshtemo*

**Administrator**  
Thomas P. Brouwer

**Assistant Administrator**  
**Finance/Administration**  
**Board Treasurer**  
Gayle A. Pratt

**Assistant Administrator**  
**Loss Control**  
Michael E. Shultz

**Board Secretary**  
Kay Newberry

**Board of Directors**  
**Michigan County Road Commission**  
**Self-Insurance Pool**  
417 Seymour Street  
Lansing, Michigan 48933

Dear Board of Directors:

County road commissions in the State of Michigan established and created a Trust Fund, known as the Michigan County Road Commission Self-Insurance Pool (MCRCSIP), pursuant to the provision of Act 138 of the Michigan Public Acts of 1982 and began providing services April 1, 1984. This statewide self-insurance pool was established to provide for joint and cooperative action relative to Members' financial and administrative resources for the purpose of providing risk management services along with property and liability protection. Membership is restricted to road commissions and related road commission activities within the State.

The MCRCSIP is funded by a yearly contribution assessment of its members with various criteria being used to rate the different lines of coverage such as:

General Liability – 50% based on exposure (miles & population); and 50% based on experience (using net paid capped losses)

Auto Liability – A rate per vehicle

Trunkline Liabilities (excluding General Liability) - An actuarially computed rate per mile

Employment Practices Liability/Errors & Omissions – A flat rate charge to all members, fifteen (15) percent of the total collected based on experience, fifty (50) percent of the remaining amount to be collected based on population and fifty (50) percent based on number of employees.

Umbrella – Rate is a percent of underlying coverage

Physical Damage – A rate per \$100 of value

Crime – A rate based on number of employees and the amount of coverage

417 Seymour Street  
Post Office Box 14119  
Lansing, MI 48901-4901

(517) 482-9166  
(800) 842-4971  
FAX: (517) 485-4809



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Letter of Transmittal

New members may be accepted into the MCRCSIP upon application and approval from the Board of Directors. Prospective new members are underwritten using data obtained through a new member survey and the best loss history data available.

### **FINANCIAL MANAGEMENT**

The Comprehensive Annual Financial Report (CAFR) for the year ended March 31, 2005 is being submitted to the Board of Directors as suggested by the Association of Governmental Risk Pools (AGRIP) and the regulations of the Michigan Bureau of Insurance. Responsibility for both the accuracy, the completeness and the fairness of the presentation, including all disclosures, rests with management. The MCRCSIP's books are recorded on a full accrual basis in accordance with generally accepted accounting principles and the GASB. We believe this information is accurate in all material aspects; that it is presented in a manner designed to fairly state the financial position and results of operations of the MCRCSIP.

Management of the MCRCSIP is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the MCRCSIP are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

Assets of the MCRCSIP are invested in accordance with Section 10, of Act No. 138, Michigan Public Acts of 1982, and the policies adopted by the MCRCSIP Board of Directors.

Plante & Moran, PLLC Certified Public Accountants, provide an objective, independent review of the fairness of the MCRCSIP's reported financial position and results of operations. Their examination includes the auditing procedures, which they deem necessary to express an opinion as to the fairness of the financial statements.

Beginning September, 1993, Milliman was hired by the Board of Directors to perform an annual independent actuarial review which confirms the adequacy and reasonableness of the liabilities recorded as "allowances for unsettled claims and claims incurred but not reported (IBNR)". Their report is also submitted to the Board.





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Letter of Transmittal

## THE ANNUAL REPORT

**Part I – Introductory Section:** Contains information regarding the MCRCSIP's management structure, executive officers, and financial reporting requirements set forth in the MCRCSIP bylaws, as presented to the governing body by the principal financial officer. This information provides the basis for understanding the CAFR.

**Part II – Financial Statements:** Includes Management's Discussion and Analysis, and the financial statements as prepared from the MCRCSIP's books and records for the twenty-first fiscal year of operations. The MCRCSIP's independent accountants, Plante & Moran, PLLC, have examined the financial section. Copies of their report letter, dated May 23, 2005 are included in the CAFR as indicated in the table of contents.

**Part III – Statistical Data:** Contains certain data pertaining to cumulative claim activity, loss development, comparative financial information, and demographic data which will be of general interest to the members. It is expected that this database will be expanded in future years for historical and comparative purposes.

## FINANCIAL HIGHLIGHTS

**Revenue - Revenue and Other Income of the Pool for fiscal 2004-2005 totaled \$21,527,581. Of this amount, \$19,721,992, or 92%, consisted of member contributions; \$2,403,162, or 10%, consisted of interest and dividend income; - \$694,600, or -3%, consisted of realized and unrealized gains and losses on investments and \$97,027, or <1%, consisted of rental income.**

**Expenses – Expenses for fiscal 2004-05 totaled \$14,691,464. Of the total amount \$6,347,631, or 44%, consisted of payments made on claims for all open years; \$-649,511, or -4%, consisted of a net increase in allowances for unsettled claims and claims incurred but not reported (IBNR); \$6,663,120, or 45%, consisted of excess insurance premiums and state assessments; \$1,013,187, or 7%, consisted of the TPA service fee; and \$1,245,037, or 8%, consisted of administrative expense (including \$210,886 for investment expenses and \$79,290 for rental expenses).**



## **COST CONTAINMENT**

Loss Prevention/Training continues to be of primary importance to the MCRCSIP. To this end, both Mike Shultz and Mike Phillips continue to spend 100% of their time devoted to this service. Their efforts continue to be centered on Training Sessions and Loss Control Visits to member facilities and work area. The goal of the training opportunities and the visits is to assist members in making their work environment as safe as possible for their employees as well as protecting the general public. Mike and Mike have conducted a total of 257 service visits during 2004/05; advised members of 1,094 safety audit recommendations; conducted 101 training sessions during which more than one subject was usually discussed; developed training curriculums covering at least 32 subjects; participated in numerous workshops, seminars and special presentations; drove a total of 6,590 surveillance miles; and more than 56,000 vehicle miles. They also wrote 19 articles for the Pool Cue.

Mike Shultz continues to oversee the MCRCSIP Member Loss Control Committee with sub-committees representing the many areas of member loss exposure. Members on this committee and its sub-committees consist of representatives from each road commission council in the State. The goal for the committee is to discuss and recommend focus areas for the MCRCSIP to use in assisting our members in their goal to make their counties as safe as possible.

## **MEMBER CONTRIBUTIONS**

Equity among the membership continues to be the primary goal of the Board's contribution policy. The components used to compute member contribution requirements for the 2004/05 coverage year remained the same as 2003/04.

Terri Kelley, Langan & Co., is responsible for negotiating the Excess/Reinsurance package. Although a continued tightening of the insurance marketplace made a very difficult environment in which to work, Terri was successful in putting an equitable package together.

Our final Self-Insured Retention Package consisted of the following:

- Liability (GL and Auto)
  - Self-insured retention (SIR) = \$2 million each occurrence
  - Policy Year Aggregate = \$12 million



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Letter of Transmittal

- Property, Vehicles & Equipment
  - Build/Contents MCRCSIP SIR \$1 mil for any one loss
  - Vehicles/Equip MCRCSIP SIR \$150,000 each unit and \$750,000 Aggregate
  - Combined Retention = \$1.5 million any loss
  - Policy Annual Aggregate Stop Loss = \$2 million
- Employment Practices/Public Officials
  - MCRCSIP SIR = \$500,000 each claim

The above, combined with the Excess Insurance Package, required some significant increases in contributions.

## MAJOR INITIATIVES

We continued our focus on information systems during 2004/05. A new IT Consultant was hired and was able to help us "fine tune" the basic network, strengthen the system's security from Internet threats and strategize future goals. The Property/Equipment Physical Damage computer program has been completed, and provides the Members with the ability to administer their property and equipment schedules from their offices via the Internet. The next fiscal year will see further improvements in our website, conversion of the contribution calculations to a database program and increased use of electronic documents at our offices. It will continue to be our challenge to identify the most effective ways to use technology to improve member services and streamline administrative operations.

For the 2004/05 fiscal year, we engaged Milliman to perform an audit of our claims management system. They reviewed documentation of our claim counts, loss runs, claims handling and litigation management procedures, as well as applicable manuals and guidelines. They visited Specialty Claims Services, Inc.'s offices to interview key personnel and review files. As we expected, the audit found that Specialty Claims Services, Inc. is doing an excellent job managing our claims.



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Letter of Transmittal

## AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Michigan County Road Commission Self-Insurance Pool (MCRCSIP) for its comprehensive annual financial report (CAFR) for the fiscal year ended March 31, 2004. This was the eighth consecutive year that the MCRCSIP has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for certificate number nine.

The Michigan County Road Commission Self-Insurance Pool has received a renewal of recognition from the Association of Governmental Risk Pools (AGRIP) for being in general compliance with AGRIP's pool advisory standards.

## CONCLUDING COMMENTS

It is my privilege to report that as of March 31, 2005, the MCRCSIP has concluded its 21<sup>st</sup> successful year of operations. Because of the difficult insurance markets, the decision was made to assume some increase in the MCRCSIP retained exposure. This decision not only saved some dollars up front, but, also kept the additional member contribution dollars in the MCRCSIP's assets to be invested until needed. This should, if not used, allow these additional dollars to be returned to the members at some date in the future.

While our overall exposure, as calculated by our actuaries, continue to decrease, we have seen a significant number of claims in the EPL, Property, and Equipment Physical Damage exposure areas. Our Loss Control efforts for 2005/06 will be concentrated in these areas as we visit our membership and promote training sessions for all levels of employees. Your staff will continue to monitor the exposures and claims and will suggest further actions if they become necessary.



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Letter of Transmittal

The equity market began to rebound in 2004/05 while the fixed income portfolio ended its positive trend. Overall, both United Bank and Trust and JP Morgan Asset Management did a very good job in comparison with the indices and provided the MCRCSIP with a respectable return. Thanks to both for a job well done. Our staff members and vendors have continued to do an exemplary job in support of your positive dedicated leadership and the active support and cooperation of the Membership. All of you continue to make being a part of the MCRCSIP family a real pleasure.

Thank you all for the opportunity!

Respectfully submitted,

Thomas Brouwer  
Administrator

# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Michigan County  
Road Commission Self-Insurance  
Pool

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
March 31, 2004

A Certificate of Achievement for Excellence in Financial  
Reporting is presented by the Government Finance Officers  
Association of the United States and Canada to  
government units and public employee retirement  
systems whose comprehensive annual financial  
reports (CAFRs) achieve the highest  
standards in government accounting  
and financial reporting.



*Nancy L. Ziehl*

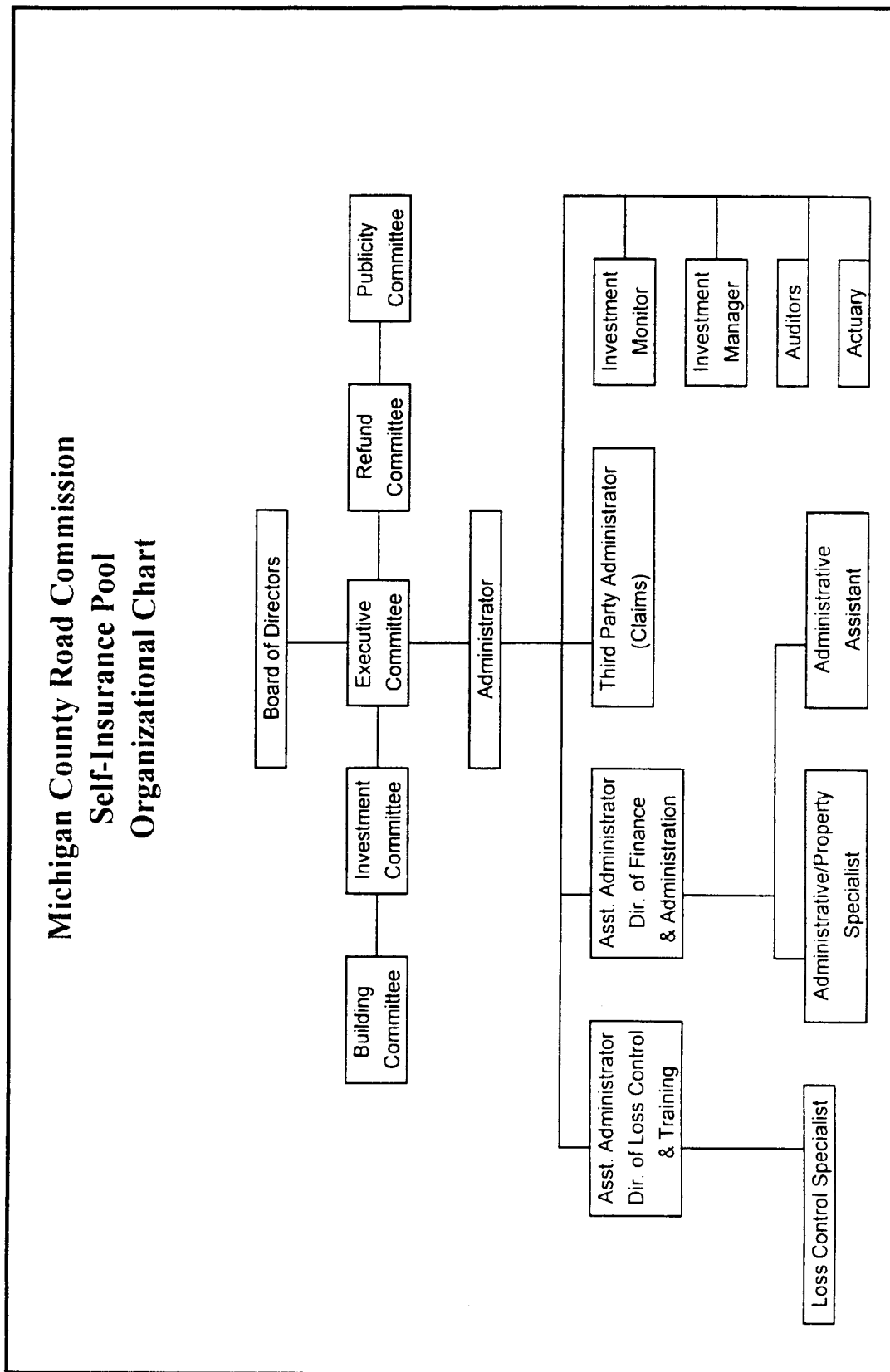
President

*Jeffrey R. Enen*

Executive Director

# Michigan County Road Commission Self-Insurance Pool

## Organizational Chart



# **Michigan County Road Commission Self-Insurance Pool**

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## **List of Officers and Committees**

### **2004/2005 BOARD OF DIRECTORS**

Karl Schmidt Jackson County Road Commission	Chairman
Sharon Hice Eaton County Road Commission	Vice Chairman
Jeff Best Kent County Road Commission	Director
Lonny Lutke Missaukee County Road Commission	Director
Louis MacDonald Chippewa County Road Commission	Director
Chalmers McGreaham Iron County Road Commission	Director
Donald Maronde St. Clair County Road Commission	Director
Dorothy Pohl Ionia County Road Commission	Director
Michael Roper Otsego County Road Commission	Director
STAFF Thomas Brouwer	Administrator
Gayle Pratt	Assistant Administrator Director of Finance/Administration
Michael Shultz	Assistant Administrator Director of Loss Control/Training
Michael Phillips	Senior Loss Control Specialist
Kay Newberry	Administrative/Property Specialist
Janet Wise	Administrative Assistant



## **Financial Section**

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## Independent Auditor's Report

To the Board of Directors  
Michigan County Road Commission  
Self-Insurance Pool

We have audited the basic financial statements of Michigan County Road Commission Self-Insurance Pool, as of and for the years ended March 31, 2005 and 2004. These basic financial statements are the responsibility of the Pool's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Michigan County Road Commission Self-Insurance Pool at March 31, 2005 and 2004, and the changes in financial position, including cash flows, for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplemental information listed in the financial section of the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of Michigan County Road Commission Self-Insurance Pool. This information has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The statistical data listed in the statistical section of the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of Michigan County Road Commission Self-Insurance Pool. The financial information has been subjected to the procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not audit the claim count information and express no opinion on it.

To the Board of Directors  
Michigan County Road Commission  
Self-Insurance Pool

The management's discussion and analysis is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board (GASB). We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

*Plante & Moran, PLLC*

May 23, 2005

# Michigan County Road Commission Self-Insurance Pool

## Management's Discussion and Analysis

### Using this Annual Report

This annual report consists of the statement of net assets, the statement of revenue, expenses, and changes in net assets, and the statement of cash flows. Along with the footnotes, they provide detailed financial information concerning the Michigan County Road Commission Self-Insurance Pool (the "Pool"). This section, the management's discussion and analysis, is intended to provide an overview of the Pool's financial condition, result of operations, and other key information.

### Financial Overview

The Pool's operating objectives are to formulate, develop, and administer, on behalf of its members, a program of insurance to obtain lower costs for the coverages provided, and to develop a comprehensive loss prevention program. As of March 31, 2005, 78 county road commissions and one county water authority within the state of Michigan participate in the Pool (79 members).

Key financial statistics for the Pool would be the comparison of total member contributions to total estimated claims payments, measured discretely for each policy year. This comparison is known to the insurance industry as a "loss ratio."

	Policy Year Ended		
	2005	2004	2003
Total member contributions	\$ 19,721,992	\$ 18,561,140	\$ 15,964,448
Total estimated claim payments	\$ 12,830,281	\$ 13,476,514	\$ 8,764,340
Loss ratio	65.1%	72.6%	54.9%

"Total estimated claim payments" represents the sum of all claims paid through the fiscal year end, estimates of the possible amounts to be paid for all known (open) claims as established by the third-party administrator, and an estimate of claims incurred but not reported by an independent actuary. The methods of making such estimates are established according to industry practice, and are continuously reviewed by management. Any changes to these estimates will have an impact on reported results of future periods. Claim payments can vary significantly from period to period because the ultimate amount paid for claims is dependent on the frequency and severity of claims filed, as well as other events such as jury decisions, court interpretations, and legislative changes.

# Michigan County Road Commission Self-Insurance Pool

## Management's Discussion and Analysis (Continued)

### Financial Overview (Continued)

To reduce exposure to large, specific claims and aggregate policy year claims, the Pool enters into excess insurance contracts to recover losses in excess of stated amounts (self-insured retention amounts) in the excess insurance contract. The self-insured retention for individual liability claims is \$2 million per occurrence for 2005 general liability claims and \$1 million per occurrence for 2004, and \$2 million per occurrence for auto liability claims in 2005 and 2004. The policy year aggregate self-insured retention amounts for general and auto liability exposures are \$12 million and \$11.5 million for 2005 and 2004, respectively.

The Pool's total assets, liabilities, and net assets remained consistent from a year ago. Investments as a percentage of total assets approximated 68 percent in 2005, and 89 percent in 2004. Cash accounted for approximately 30 percent of total assets in 2005, and 10 percent in 2004. The reason for the shift between these two asset categories is due to the movement of \$13 million immediately prior to the end of the 2005 fiscal year. These dollars were invested in new equity investments within days of the 2005 fiscal year end, and proper evaluation of these financial results would need to consider those assets as invested. There was no significant capital asset activity during the year. Computer hardware was purchased to improve the Pool's network, and there were no disposals. Approximately 99 percent of the 2005 total liabilities consist of allowances for unsettled claims and claims incurred but not reported, the same as 2004. Due to the nature of self-insurance pools, and the related claim reporting and settlement processes, it is anticipated, based on historical averages of the Pool, that approximately 18 percent of the estimated unsettled claims and claims incurred but not reported will be settled within one year. The analysis below presents a comparison of the Pool's current year financial position to that of the prior two years:

	2005	2004	2003
<b>Assets</b>			
Current assets	\$ 66,473,895	\$ 66,785,783	\$ 54,993,876
Long-term assets	842,066	335,044	429,724
Total assets	<u>\$ 67,315,961</u>	<u>\$ 67,120,827</u>	<u>\$ 55,423,600</u>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Current liabilities	\$ 5,421,060	\$ 5,774,532	\$ 5,761,912
Long-term liabilities	26,590,074	26,849,585	27,350,311
Total liabilities	32,011,134	32,624,117	33,112,223
<b>Net Assets</b>			
Invested in capital assets (restricted)	281,752	306,999	325,496
Unrestricted	35,023,075	34,189,711	21,985,881
Total net assets	<u>35,304,827</u>	<u>34,496,710</u>	<u>22,311,377</u>
Total liabilities and net assets	<u>\$ 67,315,961</u>	<u>\$ 67,120,827</u>	<u>\$ 55,423,600</u>

# Michigan County Road Commission Self-Insurance Pool

## Management's Discussion and Analysis (Continued)

### Financial Overview (Continued)

The following table shows the major components of income from operations for 2005, 2004, and 2003:

	2005	2004	2003
<b>Revenue - Member contributions</b>	\$ 19,721,992	\$ 18,561,140	\$ 15,964,448
<b>Expenses</b>			
Total provision for claims	(5,698,120)	(7,244,735)	(8,226,516)
Reinsurance and excess insurance			
premiums and state assessments	(6,663,120)	(6,526,885)	(4,468,305)
Service fee	(1,013,187)	(1,143,505)	(1,129,521)
Administrative expenses:			
Salaries and wages	(367,364)	(340,081)	(330,400)
Taxes and insurance	(148,324)	(129,273)	(105,505)
Professional fees	(182,583)	(179,828)	(164,563)
Office expenses	(106,357)	(126,358)	(81,509)
Depreciation	(27,645)	(29,798)	(27,091)
Other	(122,588)	(111,333)	(118,912)
Total operating expenses	(14,329,288)	(15,831,796)	(14,652,322)
<b>Operating Income - Before other income</b>			
(expenses) and distributions to members	5,392,704	2,729,344	1,312,126
<b>Other Income (Expenses)</b>			
Interest and dividend income	2,403,162	2,521,407	2,533,282
Investment expenses	(210,886)	(213,467)	(158,296)
Realized and unrealized gains (losses) on investments	(694,600)	7,131,984	(7,101,535)
Net investment income (expenses)	1,497,676	9,439,924	(4,726,551)
Rental income	97,027	97,365	92,914
Rental expenses	(79,290)	(81,300)	(74,169)
Total other income (expenses)	1,515,413	9,455,989	(4,707,806)
<b>Excess of Revenue Over (Under)</b>			
Expenses - Before distributions to members	6,908,117	12,185,333	(3,395,680)
<b>Distributions to Members</b>	(6,100,000)	-	(2,500,000)
<b>Total Increase (Decrease) in Net Assets</b>	<b>\$ 808,117</b>	<b>\$ 12,185,333</b>	<b>\$ (5,895,680)</b>

# **Michigan County Road Commission Self-Insurance Pool**

## **Management's Discussion and Analysis (Continued)**

### **Financial Overview (Continued)**

The increase in operating expenses is a result of an increase in the reinsurance and excess insurance premiums and in the state assessment amounts for 2005. Total provision for claims, as noted above, is dependent on many factors and will change from year to year based on those factors.

### **Economic Factors and Next Year's Rates**

The rates used to charge member contributions to the Pool are expected to remain substantially level for the next fiscal year. The MCCA assessment is expected to increase by 27 percent over the rate assessed for 2004. Due to a change in third-party administrators, the service fee is expected to decrease approximately 15 percent. All other operating expenses are expected to remain consistent with amounts reported in 2005. The provision for claim payments is expected to be consistent with historical trends, and we are unaware of any economic events or legislative events that would have significant impact on the operations of the Pool.

### **Contacting the Pool's Management**

This financial report is intended to provide our members and regulators with a general overview of the Michigan County Road Commission Self-Insurance Pool's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Assistant Administrator/Director of Finance and Administration, Michigan County Road Commission Self-Insurance Pool, P.O. Box 14119, Lansing, MI 48901.

## **Basic Financial Statements**

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# Michigan County Road Commission Self-Insurance Pool

## Statement of Net Assets

	March 31	
	2005	2004
<b>Current Assets</b>		
Cash and cash equivalents (Note 2)	\$ 20,398,485	\$ 6,942,387
Investments (Note 2)	45,771,746	59,491,957
Receivables:		
Accrued interest on investments	237,614	272,233
Members	14,945	35,000
Other	1,105	44,206
Note receivable (Note 7)	50,000	-
Total current assets	66,473,895	66,785,783
<b>Capital Assets - Net (Note 3)</b>	281,752	306,999
<b>Note Receivable (Note 7)</b>	384,878	-
<b>Other Assets</b>	175,436	28,045
Total assets	<u>\$ 67,315,961</u>	<u>\$ 67,120,827</u>
<b>Current Liabilities</b>		
Accounts payable	\$ 51,060	\$ 14,532
Current portion of allowances for unsettled claims and claims incurred but not reported (Note 5)	5,370,000	5,760,000
Total current liabilities	5,421,060	5,774,532
<b>Long-term Liabilities - Allowances for unsettled claims and claims incurred but not reported - Net of current portion (Note 5)</b>	26,590,074	26,849,585
Total liabilities	32,011,134	32,624,117
<b>Net Assets</b>		
Invested in capital assets	281,752	306,999
Unrestricted	35,023,075	34,189,711
Total net assets	35,304,827	34,496,710
Total liabilities and net assets	<u>\$ 67,315,961</u>	<u>\$ 67,120,827</u>

# Michigan County Road Commission Self-Insurance Pool

## Statement of Revenue, Expenses, and Changes in Net Assets

	Year Ended March 31	
	2005	2004
<b>Revenue - Member contributions</b>	\$ 19,721,992	\$ 18,561,140
<b>Expenses</b>		
Provision for claims:		
Payments	6,347,631	7,695,461
Decrease in allowances for unsettled claims and claims incurred but not reported (Note 5)	(649,511)	(450,726)
Reinsurance and excess insurance premiums and state assessments (Note 4)	6,663,120	6,526,885
Service fee	1,013,187	1,143,505
Administrative expenses:		
Salaries and wages	367,364	340,081
Taxes and insurance	148,324	129,273
Professional fees	182,583	179,828
Office expenses	106,357	126,358
Depreciation	27,645	29,798
Other	122,588	111,333
<b>Total expenses</b>	<b>14,329,288</b>	<b>15,831,796</b>
<b>Operating Income - Before other income (expenses) and distributions to members</b>	<b>5,392,704</b>	<b>2,729,344</b>
<b>Other Income (Expenses)</b>		
Interest and dividend income	2,403,162	2,521,407
Investment expenses	(210,886)	(213,467)
Realized and unrealized gains (losses) on investments	(694,600)	7,131,984
<b>Net investment income</b>	<b>1,497,676</b>	<b>9,439,924</b>
Rental income	97,027	97,365
Rental expenses	(79,290)	(81,300)
<b>Total other income</b>	<b>1,515,413</b>	<b>9,455,989</b>
<b>Excess of Revenue Over Expenses - Before distributions to members</b>	<b>6,908,117</b>	<b>12,185,333</b>
<b>Distributions to Members (Note 6)</b>	<b>(6,100,000)</b>	<b>-</b>
<b>Excess of Revenue Over Expenses</b>	<b>808,117</b>	<b>12,185,333</b>
<b>Net Assets - Beginning of year</b>	<b>34,496,710</b>	<b>22,311,377</b>
<b>Net Assets - End of year</b>	<b>\$ 35,304,827</b>	<b>\$ 34,496,710</b>

# Michigan County Road Commission Self-Insurance Pool

## Statement of Cash Flows

	Year Ended March 31	
	2005	2004
<b>Cash Flows from Operating Activities</b>		
Cash received from member contributions	\$ 19,785,148	\$ 18,511,324
Cash paid for reinsurance and excess insurance premiums	(6,663,120)	(6,526,885)
Cash paid for claims	(6,347,631)	(7,695,461)
Cash paid to suppliers and others	(2,051,266)	(1,991,575)
Net cash provided by operating activities	4,723,131	2,297,403
<b>Cash Flows from Capital and Related Financing Activities</b>		
Purchase of fixed assets	(2,398)	(11,401)
Proceeds from sale of equipment	-	100
Net cash used in capital and related financing activities	(2,398)	(11,301)
<b>Cash Flows from Investing Activities</b>		
Interest and dividend income	2,226,895	2,207,502
Purchase of investments	(28,949,721)	(56,130,611)
Proceeds from sale or maturity of investments	41,975,332	57,855,008
Rental income	17,737	16,065
Loans under note receivable	(434,878)	-
Net cash provided by investing activities	14,835,365	3,947,964
<b>Cash Flows from Noncapital Financing Activities -</b>		
Distributions to members	(6,100,000)	-
<b>Net Increase in Cash and Cash Equivalents</b>	13,456,098	6,234,066
<b>Cash and Cash Equivalents - Beginning of year</b>	6,942,387	708,321
<b>Cash and Cash Equivalents - End of year</b>	<u>\$ 20,398,485</u>	<u>\$ 6,942,387</u>

# **Michigan County Road Commission Self-Insurance Pool**

## **Statement of Cash Flows (Continued)**

A reconciliation of excess of income over expenses before other income (expense) and distributions to members to net cash provided by operating activities is as follows:

	<u>Year Ended March 31</u>	
	<u>2005</u>	<u>2004</u>
Operating income - Before other income (expenses) and distributions to members	\$ 5,392,704	\$ 2,729,344
Adjustments to reconcile operating income - Before other income (expenses) and distributions to members to net cash from operating activities:		
Depreciation expense	27,645	29,798
(Increase) decrease in assets:		
Receivables	63,156	(49,816)
Other assets	(147,391)	76,183
Increase (decrease) in liabilities:		
Accounts payable	36,528	(37,380)
Allowances for unsettled claims and claims incurred but not reported	<u>(649,511)</u>	<u>(450,726)</u>
Net cash provided by operating activities	<u>\$ 4,723,131</u>	<u>\$ 2,297,403</u>

The Pool had a net unrealized loss on investments of \$2,074,280 for the year ended March 31, 2005, and a net unrealized gain on investments of \$6,901,905 for the year ended March 31, 2004.

# Michigan County Road Commission Self-Insurance Pool

## Notes to Financial Statements March 31, 2005 and 2004

### Note 1 - Nature of Entity and Significant Accounting Policies

The Michigan County Road Commission Self-Insurance Pool (the "Pool") was established April 1, 1984 under the laws of the State of Michigan as a governmental group self-insurance trust. Activity relating to the formation of the Pool, including the selection of the board of directors, began in October 1983 under the sponsorship of the County Road Association of Michigan, the founding association. The Pool provides various types of liability coverage to its members, including general, automobile, public official errors and omissions, commercial crime, umbrella, and trunkline. The Pool also provides various types of physical damage coverage including property, automobile, and equipment. The members are Michigan county road commissions. Road commissions applying for membership in the Pool may do so on approval of two-thirds vote of the board of directors of the Pool. Members in the Pool may withdraw from the Pool by giving 60 days' notice. Upon approval of withdrawal, the withdrawing road commission is responsible for its claims incurred subsequent to withdrawal and will be denied any excess premiums that are distributed. As of March 31, 2005, there were 79 members participating in the Pool.

The Pool utilizes the accrual method of accounting. Operating revenue is defined as member contributions. Operating expenses are defined as all expenses incurred related to claim management and settlement, excess insurance coverages, and administration. Nonoperating revenue and expenses are defined as all investment income and expenses earned related to investment activities over the period they are incurred, and rental income and related expenses related to the use of their building by outside parties. All revenue is recorded ratably over the period to which it applies, and all expenses are recognized in the period they are incurred. The Pool applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued prior to November 30, 1989 for its proprietary operations. The estimated total claim losses are accrued based on the estimate of claims that will be ultimately filed and paid for each insurance period. It is anticipated that, to the extent that an insurance period has an excess or deficit, the board of directors will determine the manner of disposition or recovery of such excesses or deficits. The Pool may assess members a supplemental assessment in the event of deficiencies.

**Cash Equivalents** - The Pool considers all highly liquid debt investments purchased with a maturity of three months or less to be cash equivalents.

**Investments** - Investments are stated at fair value, based on quoted market prices.

**Accounts Receivable** - Accounts receivable are stated at invoice cost. Account balances that are deemed to be uncollectible are written off and membership is terminated.

# Michigan County Road Commission Self-Insurance Pool

## Notes to Financial Statements March 31, 2005 and 2004

### Note 1 - Nature of Entity and Significant Accounting Policies (Continued)

**Capital Assets** - Capital assets are recorded at cost. Depreciation is computed primarily using the straight-line method over the useful lives of the assets.

**Federal Income Tax Status** - The Pool is treated as a trust that distributes its earnings to members. Accordingly, no provision has been made for taxes on income.

**Allowances for Unsettled Claims and Claims Incurred But Not Reported** - Allowances for unsettled claims and claims incurred but not reported represent the estimated liability for unpaid insurance losses and related expenses from reported claims and claims incurred but not reported. Changes to such estimates are reflected in earnings currently.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### Note 2 - Deposits and Investments

The Pool's deposits and investments are included on the balance sheet under the following classifications:

	Balance Sheet Classification		
	Cash	Investments	Total
<u>2005</u>			
Deposits	\$ 20,398,335	\$ -	\$ 20,398,335
Investments	-	45,771,746	45,771,746
Petty cash or cash on hand	150	-	150
Total	<u>\$ 20,398,485</u>	<u>\$ 45,771,746</u>	<u>\$ 66,170,231</u>
<u>2004</u>			
Deposits	\$ 6,942,237	\$ -	\$ 6,942,237
Investments	-	59,491,957	59,491,957
Petty cash or cash on hand	150	-	150
Total	<u>\$ 6,942,387</u>	<u>\$ 59,491,957</u>	<u>\$ 66,434,344</u>

# **Michigan County Road Commission Self-Insurance Pool**

## **Notes to Financial Statements March 31, 2005 and 2004**

### **Note 2 - Deposits and Investments (Continued)**

#### **Deposits**

The above deposits were reflected in the accounts of the bank (without recognition of checks written but not yet cleared or of deposits in transit) at \$19,134,653 and \$6,110,143 at March 31, 2005 and 2004, respectively. Of those amounts, \$110,923 and \$130,916 was covered by federal depository insurance, and the remainder was uninsured and uncollateralized at March 31, 2005 and 2004, respectively.

#### **Investments**

The Pool invests in U.S. agency mortgage pools, bonds of U.S. agencies, certain commercial paper, and certain equity securities. To the extent that cash from various policy years has been pooled in an investment, related investment income is allocated to each policy year based on relative participation in the Pool.

The Pool's investments are categorized below to give an indication of the level of risk assumed by the entity at March 31, 2005 and 2004. Risk Category 1 includes those investments that meet any one of the following criteria:

- a. Insured
- b. Registered
- c. Held by the Pool or its agent in the Pool's name

Risk Categories 2 and 3 include investments that are neither insured nor registered. Category 2 includes investments that are held by the counterparty's trust department (or agent) in the Pool's name. Category 3 includes investments held by:

- a. The counterparty or
- b. The counterparty's trust department (or agent) but not in the Pool's name

# Michigan County Road Commission Self-Insurance Pool

## Notes to Financial Statements March 31, 2005 and 2004

### Note 2 - Deposits and Investments (Continued)

	Category			Fair Value
	1	2	3	
<u>2005</u>				
Bonds of U.S. agencies	\$ -	\$ 9,907,565	\$ -	\$ 9,907,565
Commercial paper	-	5,558,863	-	5,558,863
Equity securities	-	25,334,593	-	25,334,593
Subtotal	<u>\$ -</u>	<u>\$ 40,801,021</u>	<u>\$ -</u>	40,801,021
U.S. agency mortgage pools/mutual funds				4,970,725
Total investments				<u>\$ 45,771,746</u>
<u>2004</u>				
Bonds of U.S. agencies	\$ -	\$ 16,198,111	\$ -	\$ 16,198,111
Commercial paper	-	2,848,960	-	2,848,960
Equity securities	-	36,624,064	-	36,624,064
Subtotal	<u>\$ -</u>	<u>\$ 55,671,135</u>	<u>\$ -</u>	55,671,135
U.S. agency mortgage pools/mutual funds				3,820,822
Total investments				<u>\$ 59,491,957</u>

The U.S. agency mortgage pools and mutual funds are not categorized because they are not evidenced by securities that exist in physical or book entry form. Both are regulated by the Security Exchange Commission (SEC). The fair value of the position in the mortgage pools is the same as the value of the pool shares. The U.S. agency mortgage pools consisted of the following:

- Approximately \$259,000 and \$137,000 of investments at March 31, 2005 and 2004, respectively, represents investments in a pool comprised of securities issued by the Government National Mortgage Association (GNMA). Investments in the pool do not exist in book entry form and, therefore, are not categorized as to risk. These investments are backed by the full faith and credit of the U.S. government. The yields provided by these mortgage-related securities historically have exceeded the yields on other types of U.S. government securities with comparable maturities, in large measure due to the potential for prepayment. Prepayment could result in difficulty in reinvesting the prepaid amounts in investments with comparable yields.



# Michigan County Road Commission Self-Insurance Pool

## Notes to Financial Statements March 31, 2005 and 2004

### Note 2 - Deposits and Investments (Continued)

- Approximately \$4,712,000 and \$3,683,000 of investments at March 31, 2005 and 2004, respectively, represents investments in a pool comprised of obligations of the Federal National Mortgage Association (FNMA). Investments in the pool do not exist in book entry form and, therefore, are not categorized as to risk. These investments are usually not backed by the full faith and credit of the U.S. government, but are generally considered to offer modest credit risks. The yields provided by these mortgage-related securities historically have exceeded the yields on other types of U.S. government securities with comparable maturities, in large measure due to the potential for prepayment. Prepayment could result in difficulty in reinvesting the prepaid amounts in investments with comparable yields.

### Note 3 - Capital Assets

Capital asset activity of the Pool's business-type activities was as follows:

	Balance April 1, 2004	Additions	Disposals and Adjustments	Balance March 31, 2005
Capital assets not being depreciated - Land	\$ 22,855	\$ -	\$ -	\$ 22,855
Capital assets being depreciated:				
Building	484,327	-	-	484,327
Building improvements	130,451	-	-	130,451
Office equipment	49,241	2,398	-	51,639
Subtotal	664,019	2,398	-	666,417
Accumulated depreciation:				
Building	218,492	15,375	-	233,867
Building improvements	130,451	-	-	130,451
Office equipment	30,932	12,270	-	43,202
Subtotal	379,875	27,645	-	407,520
Net capital assets being depreciated	284,144	(25,247)	-	258,897
Net capital assets	\$ 306,999	\$ (25,247)	\$ -	\$ 281,752

# Michigan County Road Commission Self-Insurance Pool

## Notes to Financial Statements March 31, 2005 and 2004

### Note 3 - Capital Assets (Continued)

Depreciation expense was charged to the Pool as follows:

	<u>2005</u>	<u>2004</u>
Building	\$ 15,375	\$ 15,375
Office equipment	<u>12,270</u>	<u>14,423</u>
Total	<u>\$ 27,645</u>	<u>\$ 29,798</u>

### Note 4 - Insurance Coverage

The Pool uses reinsurance and excess insurance contracts to reduce its exposure to large aggregate and specific losses. These contracts allow the Pool to recover losses in excess of aggregate and specific coverages specified in the contracts; however, it does not discharge the primary liability of the Pool of the risks covered by these contracts. The Pool does not report the liabilities expected to be paid under these contracts unless it is probable that those liabilities will not be covered and paid. The amounts deducted from allowances for unsettled claims and claims incurred but not reported as of March 31, 2005 and 2004 for expected recoveries under these contracts were \$831,826 and \$2,804,319, respectively.

The Michigan Catastrophic Claims Association (MCCA) is a private, nonprofit association created by Michigan statute as a means of spreading the costs for providing unlimited personal injury protection benefits offered through no-fault auto insurance policies across all Michigan motorists. The MCCA has a board of directors that establishes an annual assessment charged to every Michigan auto insurance premium.

The Michigan Assigned Claims Facility (ACF) was created by Michigan statute in 1973 to provide financial help to people injured in an uninsured motor vehicle accident, who have no insurance coverage of their own. The ACF is administered by the Michigan Department of State under authority of the No-Fault Insurance Law. The ACF assesses all insurers an annual fee based on the number of vehicles insured in order to cover the costs of this plan.

# **Michigan County Road Commission Self-Insurance Pool**

## **Notes to Financial Statements March 31, 2005 and 2004**

### **Note 4 - Insurance Coverage (Continued)**

Premiums ceded under these contracts during the years ended March 31, 2005 and 2004 were as follows:

	<u>2005</u>	<u>2004</u>
MCCA	\$ 685,172	\$ 619,096
ACF	50,450	44,456
Reinsurance and excess insurance premiums	<u>5,927,498</u>	<u>5,863,333</u>
Total	<u>\$ 6,663,120</u>	<u>\$ 6,526,885</u>

### **Note 5 - Allowances for Unsettled Claims and Claims Incurred But Not Reported**

The Pool's allowances for unsettled claims and claims incurred but not reported were computed actuarially for the years ended March 31, 2005 and 2004, and are based on the estimated ultimate cost of settling claims, including the effects of inflation and other societal and economic factors. The allowances for unsettled claims and claims incurred but not reported are presented at present value using discount rates of 4.6 percent for the years ended March 31, 2005 and 2004. The estimates reflect the Pool's best judgment as to the potential for claims to increase beyond the amounts already paid and reserved on filed claims. It is at least reasonably possible that a material change in the estimate will occur within the near term and thus the actual claims paid may be substantially different than these estimates.

# **Michigan County Road Commission Self-Insurance Pool**

## **Notes to Financial Statements March 31, 2005 and 2004**

### **Note 5 - Allowances for Unsettled Claims and Claims Incurred But Not Reported (Continued)**

The following table presents changes in the allowances for the fiscal years ended March 31, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Claims filed at March 31 that remain unsettled as of that date	\$ 10,118,942	\$ 12,860,319
Estimate of claims incurred prior to March 31 not reported as of that date that are expected to be filed in the future	25,290,370	24,072,558
Less portion to be paid by reinsurance and excess insurance carriers	<u>831,826</u>	<u>2,804,319</u>
Total undiscounted reserves	34,577,486	34,128,558
Less effect of discount	<u>2,617,412</u>	<u>1,518,973</u>
Total	<u>\$ 31,960,074</u>	<u>\$ 32,609,585</u>

# Michigan County Road Commission Self-Insurance Pool

## Notes to Financial Statements March 31, 2005 and 2004

### Note 5 - Allowances for Unsettled Claims and Claims Incurred But Not Reported (Continued)

	2005	2004
<b>Allowances for Unsettled Claims and Claims Incurred But Not Reported -</b>		
Beginning of year	\$ 32,609,585	\$ 33,060,311
Incurred claims and claims adjustment expenses:		
Provision for insured events of the current year	13,542,052	15,005,736
Decrease in provision for insured events of prior years	<u>(8,717,985)</u>	<u>(11,943,946)</u>
Total incurred claims and claims adjustment expenses	4,824,067	3,061,790
Payments:		
Claims and claims adjustment expenses attributable to insured events of the current year	857,123	1,147,774
Claims and claims adjustment expenses attributable to insured events of prior years	<u>5,490,508</u>	<u>6,547,687</u>
Total payments	6,347,631	7,695,461
Decrease in amount to be paid by reinsurance and excess insurance carriers	1,972,492	3,880,709
(Increase) decrease in present value discount	<u>(1,098,439)</u>	<u>302,236</u>
<b>Allowances for Unsettled Claims and Claims Incurred But Not Reported -</b>		
End of year	<u>\$ 31,960,074</u>	<u>\$ 32,609,585</u>

# **Michigan County Road Commission Self-Insurance Pool**

## **Notes to Financial Statements March 31, 2005 and 2004**

### **Note 5 - Allowances for Unsettled Claims and Claims Incurred But Not Reported (Continued)**

The following, based on historical trends of the Pool, summarizes the anticipated settlement of claims at March 31, 2005 and 2004:

	<u>2005</u>	<u>2004</u>
Claims anticipated to be settled within one year	\$ 5,370,000	\$ 5,760,000
Claims anticipated to be settled in excess of one year	<u>26,590,074</u>	<u>26,849,585</u>
Total allowances for unsettled claims and claims incurred but not reported	<u>\$ 31,960,074</u>	<u>\$ 32,609,585</u>

### **Note 6 - Distributions to Members**

The Pool distributed funds to members as follows:

	<u>2005</u>	<u>2004</u>
Interest earnings distributions:		
1992-93	\$ 1,036,984	\$ -
1993-94	557,597	-
1994-95	1,051,219	-
1995-96	1,194,687	-
1996-97	455,268	-
1997-98	347,583	-
1998-99	876,123	-
1999-00	405,725	-
2000-01	128,698	-
2001-02	<u>46,116</u>	<u>-</u>
Total	<u>\$ 6,100,000</u>	<u>\$ -</u>

# **Michigan County Road Commission Self-Insurance Pool**

## **Notes to Financial Statements March 31, 2005 and 2004**

### **Note 7 - Note Receivable**

In November 2004, the Pool entered into an agreement with a member whereby the member agreed to repay the Pool \$601,431 for refunds received in excess of the refund amounts to which it was entitled. If the member fails to make any payment when due, or ceases to be a member, the entire remaining balance may become due and payable. Any remaining balance due shall, at that time, bear interest at 8 percent per year until paid in full. The Pool will receive annual payments of \$50,000. The outstanding balance of the note at March 31, 2005 was \$434,878.

## **Other Supplemental Information**

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# Michigan County Road Commission Self-Insurance Pool

	1995	1996	1997	1998*
Required contributions and investment income:				
Earned	\$ 19,844,904	\$ 18,889,722	\$ 15,882,496	\$ 15,989,924
Ceded	-	-	-	4,308,984
Net earned	19,844,904	18,889,722	15,882,496	11,680,940
Unallocated expenses	1,736,552	1,783,744	2,082,737	2,294,897
Estimated claims and expenses, end of policy year:				
Incurred	11,011,132	9,756,580	9,677,177	13,463,353
Ceded	-	-	-	3,862,148
Net incurred	11,011,132	9,756,580	9,677,177	9,601,205
Net paid (cumulative) as of:				
End of policy year	345,412	557,323	320,450	492,882
One year later	1,205,247	1,452,462	3,136,596	2,066,241
Two years later	3,151,127	2,785,763	5,063,076	3,910,444
Three years later	5,700,626	3,942,550	7,514,971	6,379,990
Four years later	6,328,286	4,240,093	9,022,147	6,506,477
Five years later	6,464,286	4,269,507	8,967,630	6,552,692
Six years later	6,504,423	4,650,077	8,961,747	7,286,055
Seven years later	6,512,228	4,651,209	8,969,502	7,357,057
Eight years later	6,512,729	4,659,654	8,990,384	-
Nine years later	6,512,729	4,667,492	-	-
Ten years later	6,512,729	-	-	-
Reestimated ceded claims and expenses	-	(1)	-	42,195
Reestimated net incurred claims and expenses:				
End of policy year	11,011,132	9,756,580	9,677,177	9,601,205
One year later	11,088,503	10,650,079	10,287,878	9,861,429
Two years later	11,647,045	9,672,051	10,390,125	9,887,880
Three years later	9,914,668	7,684,549	10,428,401	8,487,827
Four years later	8,497,398	6,782,609	10,442,014	7,953,216
Five years later	7,601,623	5,815,146	9,834,105	7,788,125
Six years later	7,406,600	5,010,315	9,414,554	7,686,470
Seven years later	7,065,031	4,782,180	9,383,237	7,417,112
Eight years later	6,512,730	4,760,472	9,483,710	-
Nine years later	6,512,730	4,775,548	-	-
Ten years later	6,512,730	-	-	-
Decrease in estimated net incurred claims and expenses from end of policy year	\$ (4,498,402)	\$ (4,981,032)	\$ (193,467)	\$ (2,184,093)

\* Michigan County Road Commission Self-Insurance Pool adopted GASB Statement No. 30, *Risk Finance Omnibus*, an amendment of GASB No. 10, on a prospective basis.

**Schedule of Claims Information for All Lines of Coverages**  
**Fiscal Year Ended March 31, 2005**

1999	2000	2001	2002	2003	2004	2005
\$ 15,320,603 4,184,576	\$ 14,758,833 3,928,497	\$ 14,320,277 4,007,943	\$ 15,026,391 4,353,993	\$ 15,678,785 4,468,305	\$ 19,249,578 6,526,885	\$ 19,790,580 6,663,120
11,136,027	10,830,336	10,312,334	10,672,398	11,210,480	12,722,693	13,127,460
2,115,249	2,095,347	2,040,347	1,897,958	2,189,968	2,354,943	1,968,048
12,819,480 2,638,027	13,408,327 3,750,582	13,750,556 3,570,418	13,124,223 2,964,752	14,876,186 1,816,596	16,750,809 1,727,340	13,185,520 355,239
10,181,453	9,657,745	10,180,138	10,159,471	13,059,590	15,023,469	12,830,281
555,130	653,977	830,883	602,748	1,533,157	1,147,774	857,123
1,805,447	2,137,392	1,719,653	1,356,261	2,215,606	1,922,932	-
3,184,325	3,822,917	3,473,137	4,553,459	4,430,984	-	-
3,692,345	4,754,297	4,874,555	5,261,498	-	-	-
3,958,263	5,308,364	6,341,440	-	-	-	-
3,921,255	5,328,847	-	-	-	-	-
4,126,098	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	26,625	43,442	192,000	172,327	355,239
10,181,453	9,657,745	10,180,138	10,159,471	13,059,590	15,023,469	12,830,281
10,544,669	10,118,507	9,979,426	10,544,208	11,089,183	13,476,514	-
9,851,275	10,042,444	10,082,165	8,960,177	8,764,340	-	-
6,543,279	8,146,333	8,139,388	7,810,478	-	-	-
4,483,918	6,238,269	7,061,388	-	-	-	-
4,265,143	5,498,459	-	-	-	-	-
4,126,098	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ (6,055,355)	\$ (4,159,286)	\$ (3,118,750)	\$ (2,348,993)	\$ (4,295,250)	\$ (1,546,955)	\$ -

# Michigan County Road Commission Self-Insurance Pool

	1992-93 Policy Year	1993-94 Policy Year	1994-95 Policy Year	1995-96 Policy Year	1996-97 Policy Year	1997-98 Policy Year
<b>Revenue - Member contributions</b>	\$ 15,545,931	\$ 14,487,862	\$ 15,624,957	\$ 15,266,473	\$ 15,149,791	\$ 14,759,107
<b>Expenses</b>						
Provision for claims:						
Payments	4,696,047	5,698,507	6,512,729	4,667,492	8,990,384	7,357,057
Increase in allowances for unsettled claims and claims incurred but not reported	-	-	-	108,056	493,326	60,055
Reinsurance and excess insurance premiums	4,547,542	5,534,214	4,620,447	4,434,153	4,272,028	4,308,984
Service fee	1,162,845	1,177,745	1,212,022	1,225,982	1,493,069	1,420,000
Administrative expenses:						
Salaries and wages	125,233	134,087	141,272	125,599	131,660	140,127
Taxes and insurance	92,217	100,795	19,574	12,027	12,132	14,160
Professional fees	111,984	68,321	80,769	116,690	105,289	170,622
Office expenses	31,120	32,496	33,064	31,607	37,321	49,886
Other	57,862	67,067	82,482	82,943	91,446	219,487
<b>Total expenses</b>	<b>10,824,850</b>	<b>12,813,232</b>	<b>12,702,359</b>	<b>10,804,549</b>	<b>15,626,655</b>	<b>13,740,378</b>
<b>Operating Income (Loss) -</b>						
Before other income (expenses) and distributions to members	4,721,081	1,674,630	2,922,598	4,461,924	(476,864)	1,018,729
<b>Other Income (Expenses)</b>						
Interest and dividend income	6,052,097	2,810,154	4,506,288	3,853,277	1,542,537	1,407,785
Investment expenses	(62,854)	(91,204)	(102,371)	(131,739)	(151,056)	(180,246)
Realized and unrealized gains (losses) on investments	6,523,687	3,110,835	5,935,064	5,842,237	4,170,884	781,436
<b>Net investment income</b>	<b>12,512,930</b>	<b>5,829,785</b>	<b>10,338,981</b>	<b>9,563,775</b>	<b>5,562,365</b>	<b>2,008,975</b>
Rental income	80,364	87,591	86,974	88,104	82,290	79,099
Rental expenses	(51,331)	(48,493)	(64,999)	(57,157)	(60,764)	(100,369)
<b>Total other income</b>	<b>12,541,963</b>	<b>5,868,883</b>	<b>10,360,956</b>	<b>9,594,722</b>	<b>5,583,891</b>	<b>1,987,705</b>
<b>Excess of Revenue Over (Under) Expenses -</b>						
Before distributions to members	17,263,044	7,543,513	13,283,554	14,056,646	5,107,027	3,006,434
<b>Distributions to Members</b>	<b>11,380,462</b>	<b>4,380,477</b>	<b>7,320,224</b>	<b>7,292,145</b>	<b>2,614,652</b>	<b>756,828</b>
<b>Excess of Revenue Over (Under) Expenses</b>	<b>\$ 5,882,582</b>	<b>\$ 3,163,036</b>	<b>\$ 5,963,330</b>	<b>\$ 6,764,501</b>	<b>\$ 2,492,375</b>	<b>\$ 2,249,606</b>

**Schedule of Changes in Net Assets from Operations by Policy Year  
for All Open Claims From April 1, 1992  
Through March 31, 2005**

1998-99 Policy Year	1999-2000 Policy Year	2000-2001 Policy Year	2001-2002 Policy Year	2002-2003 Policy Year	2003-2004 Policy Year	2004-2005 Policy Year	Total
\$ 14,793,180	\$ 14,386,635	\$ 14,576,954	\$ 14,810,048	\$ 15,964,448	\$ 18,561,140	\$ 19,721,992	\$ 203,648,518
4,126,098	5,328,847	6,341,440	5,261,498	4,430,984	1,922,932	857,123	66,191,138
-	169,612	719,948	2,548,980	4,333,356	11,553,582	11,973,158	31,960,073
4,184,576	3,928,497	4,007,943	4,353,993	4,468,305	6,526,885	6,663,120	61,850,687
1,352,850	1,333,240	1,222,863	1,092,350	1,129,521	1,143,505	1,013,187	15,979,179
172,093	182,094	204,758	253,320	330,400	340,081	367,364	2,648,088
15,826	17,350	21,168	21,022	105,505	129,273	148,324	709,373
136,295	133,285	128,317	83,743	164,563	179,828	182,583	1,662,289
49,802	44,060	47,552	61,376	81,509	126,358	106,357	732,508
86,993	100,422	122,748	124,703	118,912	111,333	122,588	1,388,986
10,124,533	11,237,407	12,816,737	13,800,985	15,163,055	22,033,777	21,433,804	183,122,321
4,668,647	3,149,228	1,760,217	1,009,063	801,393	(3,472,637)	(1,711,812)	20,526,197
1,709,712	1,080,590	970,006	877,492	689,255	492,930	368,141	26,360,264
(180,724)	(185,420)	(166,882)	(93,929)	(158,298)	(213,467)	(210,886)	(1,929,076)
84,577	(569,616)	(537,704)	(217,811)	384,720	418,121	(106,404)	25,820,026
1,613,565	325,554	265,420	565,752	915,677	697,584	50,851	50,251,214
81,612	95,496	84,069	93,075	92,914	97,365	97,027	1,145,980
(120,666)	(99,476)	(126,059)	(114,103)	(101,260)	(111,098)	(106,935)	(1,162,710)
1,574,511	321,574	223,430	544,724	907,331	683,851	40,943	50,234,484
6,243,158	3,470,802	1,983,647	1,553,787	1,708,724	(2,788,786)	(1,670,869)	70,760,681
1,130,527	405,725	128,698	46,116	-	-	-	35,455,854
<b>\$ 5,112,631</b>	<b>\$ 3,065,077</b>	<b>\$ 1,854,949</b>	<b>\$ 1,507,671</b>	<b>\$ 1,708,724</b>	<b>\$ (2,788,786)</b>	<b>\$ (1,670,869)</b>	<b>\$ 35,304,827</b>

# Michigan County Road Commission Self-Insurance Pool

	1992-93 Policy Year	1993-94 Policy Year	1994-95 Policy Year	1995-96 Policy Year	1996-97 Policy Year	1997-98 Policy Year
<b>Revenue - Member contributions</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Expenses</b>						
Provision for claims:						
Payments	-	-	-	7,838	20,882	71,002
Increase in (reduction to) allowances for unsettled claims and claims incurred but not reported	-	-	-	7,238	79,591	(340,360)
Reinsurance and excess insurance premiums	-	-	-	-	-	-
Service fee	-	-	-	-	-	-
Administrative expenses:						
Salaries and wages	-	-	-	-	-	-
Taxes and insurance	-	-	-	-	-	-
Professional fees	-	-	-	-	-	-
Office expenses	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total expenses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,076</u>	<u>100,473</u>	<u>(269,358)</u>
<b>Operating Income (Loss) -</b>						
Before other income (expenses) and distributions to members	-	-	-	(15,076)	(100,473)	269,358
<b>Other Income (Expenses)</b>						
Interest and dividend income	210,259	112,931	213,142	245,585	106,682	82,410
Investment expenses	-	-	-	-	-	-
Realized and unrealized losses on investments	<u>(60,773)</u>	<u>(32,641)</u>	<u>(61,606)</u>	<u>(70,983)</u>	<u>(30,835)</u>	<u>(23,820)</u>
<b>Net investment income</b>	<u>149,486</u>	<u>80,290</u>	<u>151,536</u>	<u>174,602</u>	<u>75,847</u>	<u>58,590</u>
Rental income	-	-	-	-	-	-
Rental expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total other income</b>	<u>149,486</u>	<u>80,290</u>	<u>151,536</u>	<u>174,602</u>	<u>75,847</u>	<u>58,590</u>
<b>Excess of Revenue Over (Under) Expenses - Before distributions to members</b>	<u>149,486</u>	<u>80,290</u>	<u>151,536</u>	<u>159,526</u>	<u>(24,626)</u>	<u>327,948</u>
<b>Distributions to Members</b>	<u>1,036,984</u>	<u>557,597</u>	<u>1,051,219</u>	<u>1,194,687</u>	<u>455,268</u>	<u>347,583</u>
<b>Excess of Revenue Over (Under) Expenses</b>	<u>\$ (887,498)</u>	<u>\$ (477,307)</u>	<u>\$ (899,683)</u>	<u>\$ (1,035,161)</u>	<u>\$ (479,894)</u>	<u>\$ (19,635)</u>

**Schedule of Changes in Net Assets from Operations by Policy Year  
Fiscal Year Ended March 31, 2005**

1998-99 Policy Year	1999-2000 Policy Year	2000-2001 Policy Year	2001-2002 Policy Year	2002-2003 Policy Year	2003-2004 Policy Year	2004-2005 Policy Year	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,721,992	\$ 19,721,992
204,843	20,483	1,466,885	708,039	2,215,378	775,158	857,123	6,347,631
(343,888)	(760,293)	(2,544,885)	(1,857,738)	(4,540,221)	(2,322,113)	11,973,158	(649,511)
-	-	-	-	-	-	6,663,120	6,663,120
-	-	-	-	-	-	1,013,187	1,013,187
-	-	-	-	-	-	367,364	367,364
-	-	-	-	-	-	148,324	148,324
-	-	-	-	-	-	182,583	182,583
-	-	-	-	-	-	106,357	106,357
-	-	-	-	-	-	27,645	27,645
-	-	-	-	-	-	122,588	122,588
<u>(139,045)</u>	<u>(739,810)</u>	<u>(1,078,000)</u>	<u>(1,149,699)</u>	<u>(2,324,843)</u>	<u>(1,546,955)</u>	<u>21,461,449</u>	<u>14,329,288</u>
139,045	739,810	1,078,000	1,149,699	2,324,843	1,546,955	(1,739,457)	5,392,704
182,622	115,574	92,023	144,893	215,786	313,114	368,141	2,403,162
-	-	-	-	-	-	(210,886)	(210,886)
<u>(52,785)</u>	<u>(33,405)</u>	<u>(26,598)</u>	<u>(41,879)</u>	<u>(62,370)</u>	<u>(90,501)</u>	<u>(106,404)</u>	<u>(694,600)</u>
129,837	82,169	65,425	103,014	153,416	222,613	50,851	1,497,676
-	-	-	-	-	-	97,027	97,027
-	-	-	-	-	-	(79,290)	(79,290)
<u>129,837</u>	<u>82,169</u>	<u>65,425</u>	<u>103,014</u>	<u>153,416</u>	<u>222,613</u>	<u>68,588</u>	<u>1,515,413</u>
268,882	821,979	1,143,425	1,252,713	2,478,259	1,769,568	(1,670,869)	6,908,117
<u>876,123</u>	<u>405,725</u>	<u>128,698</u>	<u>46,116</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,100,000</u>
<u>\$ (607,241)</u>	<u>\$ 416,254</u>	<u>\$ 1,014,727</u>	<u>\$ 1,206,597</u>	<u>\$ 2,478,259</u>	<u>\$ 1,769,568</u>	<u>\$ (1,670,869)</u>	<u>\$ 808,117</u>

# Michigan County Road Commission Self-Insurance Pool

	March 31, 2005					
	General Liability	Trunkline Liability	Auto Physical Damage	Property Physical Damage	Equipment Physical Damage	Total
<b>Unpaid Claims and Claims Adjustment Expenses - Beginning of year</b>	\$ 31,998,066	\$ 108,477	\$ -	\$ 52,595	\$ 450,447	\$ 32,609,585
Incurring claims and claims adjustment expenses:						
Provision for insured events of the current year	12,195,277	-	-	848,044	498,731	13,542,052
Increase (decrease) in provision for insured events of prior years	(11,296,434)	1,582,365	1,295,062	(726,106)	427,127	(8,717,986)
Total incurred claims and claims adjustment expenses	898,843	1,582,365	1,295,062	121,938	925,858	4,824,066
Payments:						
Claims and claims adjustment expenses attributable to insured events of the current year	135,309	62,943	23,526	47,056	588,289	857,123
Claims and claims adjustment expenses attributable to insured events of prior years	3,733,153	179,773	1,271,536	101,292	204,754	5,490,508
Total payments	3,868,462	242,716	1,295,062	148,348	793,043	6,347,631
Decrease in amount to be paid by reinsurance and excess insurance carriers	1,972,493	-	-	-	-	1,972,493
Decrease (increase) in present value discount	(1,098,439)	-	-	-	-	(1,098,439)
<b>Unpaid Claims and Claims Adjustment Expenses - End of year</b>	<b>\$ 29,902,501</b>	<b>\$ 1,448,126</b>	<b>\$ -</b>	<b>\$ 26,185</b>	<b>\$ 583,262</b>	<b>\$ 31,960,074</b>

## Reconciliation of Claims Liabilities by Type of Contract

March 31, 2004					
General Liability	Trunkline Liability	Auto Physical Damage	Property Physical Damage	Equipment Physical Damage	Total
\$ 32,306,038	\$ 182,511	\$ -	\$ 118,528	\$ 453,234	\$ 33,060,311
13,728,277	-	-	847,593	429,866	15,005,736
<u>(12,645,922)</u>	<u>248,648</u>	<u>690,438</u>	<u>(708,966)</u>	<u>471,856</u>	<u>(11,943,947)</u>
1,082,355	248,648	690,438	138,627	901,722	3,061,790
180,846	74,852	20,224	78,907	792,945	1,147,774
<u>5,392,426</u>	<u>247,830</u>	<u>670,214</u>	<u>125,653</u>	<u>111,564</u>	<u>6,547,687</u>
5,573,272	322,682	690,438	204,560	904,509	7,695,461
3,880,709	-	-	-	-	3,880,709
<u>302,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>302,236</u>
<u>\$ 31,998,066</u>	<u>\$ 108,477</u>	<u>\$ -</u>	<u>\$ 52,595</u>	<u>\$ 450,447</u>	<u>\$ 32,609,585</u>



# Michigan County Road Commission Self-Insurance Pool

## Budget-to-Actual Table Twelve-month Period Ended March 31, 2005

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenue</b>			
Member contributions	\$ 19,556,906	\$ 19,721,992	\$ 165,086
Investment income	3,035,000	1,708,562	(1,326,438)
Rental income	4,386	97,027	92,641
<b>Expenses</b>			
Provision for claims:			
Payments	10,884,000	6,347,631	4,536,369
Reductions to allowance for unsettled claims and claims incurred but not reported	-	(649,511)	N/A
Reinsurance premiums	6,464,322	6,663,120	(198,798)
Service fee	1,067,025	1,013,187	53,838
Administrative expenses	1,223,999	954,861	269,138

## Statistical Section

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# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 557,323	\$ 1,452,462	\$ 2,785,763	\$ 3,942,550	\$ 4,240,093
1997	-	320,450	3,136,596	5,063,076	7,514,971
1998	-	-	492,882	2,066,241	3,910,444
1999	-	-	-	555,130	1,805,477
2000	-	-	-	-	653,977
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 557,323</u>	<u>\$ 1,772,912</u>	<u>\$ 6,415,241</u>	<u>\$ 11,626,997</u>	<u>\$ 18,124,962</u>

Loss Payments (Recoveries) During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 557,323	\$ 895,139	\$ 1,333,301	\$ 1,156,787	\$ 297,543
1997	-	320,450	2,816,146	1,926,480	2,451,895
1998	-	-	492,882	1,573,359	1,844,203
1999	-	-	-	555,130	1,250,347
2000	-	-	-	-	653,977
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 557,323</u>	<u>\$ 1,215,589</u>	<u>\$ 4,642,329</u>	<u>\$ 5,211,756</u>	<u>\$ 6,497,965</u>

**Loss Development Through March 31, 2005**  
**Paid Losses: All Coverages**

2001	2002	2003	2004	2005
\$ 4,269,507	\$ 4,650,077	\$ 4,651,209	\$ 4,659,654	\$ 4,667,492
9,022,147	8,967,630	8,961,747	8,969,502	8,990,384
6,379,990	6,506,477	6,552,692	7,286,055	7,357,057
3,184,325	3,692,345	3,958,263	3,921,255	4,126,098
2,137,392	3,822,917	4,754,297	5,308,364	5,328,847
830,883	1,719,653	3,473,137	4,874,555	6,341,440
-	602,748	1,356,261	4,553,459	5,261,498
-	-	1,533,157	2,215,606	4,430,984
-	-	-	1,147,774	1,922,932
-	-	-	-	857,123
<b><u>\$ 25,824,244</u></b>	<b><u>\$ 29,961,847</u></b>	<b><u>\$ 35,240,763</u></b>	<b><u>\$ 42,936,224</u></b>	<b><u>\$ 49,283,855</u></b>

2001	2002	2003	2004	2005	Total
\$ 29,414	\$ 380,570	\$ 1,132	\$ 8,445	\$ 7,838	\$ 4,667,492
1,507,176	(54,517)	(5,883)	7,755	20,882	8,990,384
2,469,546	126,487	46,215	733,363	71,002	7,357,057
1,378,848	508,020	265,918	(37,008)	204,843	4,126,098
1,483,415	1,685,525	931,380	554,067	20,483	5,328,847
830,883	888,770	1,753,484	1,401,418	1,466,885	6,341,440
-	602,748	753,513	3,197,198	708,039	5,261,498
-	-	1,533,157	682,449	2,215,378	4,430,984
-	-	-	1,147,774	775,158	1,922,932
-	-	-	-	857,123	857,123
<b><u>\$ 7,699,282</u></b>	<b><u>\$ 4,137,603</u></b>	<b><u>\$ 5,278,916</u></b>	<b><u>\$ 7,695,461</u></b>	<b><u>\$ 6,347,631</u></b>	<b><u>\$ 49,283,855</u></b>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 998,624	\$ 3,659,806	\$ 2,089,481	\$ 727,309	\$ 606,739
1997	-	5,693,055	4,335,440	5,090,644	3,052,215
1998	-	-	3,068,049	3,905,127	5,342,672
1999	-	-	-	1,923,471	3,349,781
2000	-	-	-	-	2,793,051
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 998,624</u>	<u>\$ 9,352,861</u>	<u>\$ 9,492,970</u>	<u>\$ 11,646,551</u>	<u>\$ 15,144,458</u>

Change in Case Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 998,624	\$ 2,661,182	\$ (1,570,325)	\$ (1,362,172)	\$ (120,570)
1997	-	5,693,055	(1,357,615)	755,204	(2,038,429)
1998	-	-	3,068,049	837,078	1,437,545
1999	-	-	-	1,923,471	1,426,310
2000	-	-	-	-	2,793,051
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 998,624</u>	<u>\$ 8,354,237</u>	<u>\$ 140,109</u>	<u>\$ 2,153,581</u>	<u>\$ 3,497,907</u>

**Loss Development Through March 31, 2005**  
**Case Reserves: All Coverages**

2001	2002	2003	2004	2005
\$ 583,777	\$ 85,514	\$ 84,382	\$ 75,892	\$ 108,054
494,280	393,378	382,486	375,431	504,549
1,995,976	1,680,515	1,647,902	681,300	104,528
5,106,144	3,146,997	1,773,742	243,051	-
2,384,599	3,667,899	1,646,002	277,593	177,258
2,730,398	4,691,274	4,043,894	2,855,354	77,125
-	2,560,971	5,384,830	3,178,852	1,619,918
-	-	1,519,670	2,858,596	3,286,470
-	-	-	2,314,250	3,641,896
-	-	-	-	599,144
<b><u>\$ 13,295,174</u></b>	<b><u>\$ 16,226,548</u></b>	<b><u>\$ 16,482,908</u></b>	<b><u>\$ 12,860,319</u></b>	<b><u>\$ 10,118,942</u></b>

2001	2002	2003	2004	2005	Total
\$ (22,962)	\$ (498,263)	\$ (1,132)	\$ (8,490)	\$ 32,162	\$ 108,054
(2,557,935)	(100,902)	(10,892)	(7,055)	129,118	504,549
(3,346,696)	(315,461)	(32,613)	(966,602)	(576,772)	104,528
1,756,363	(1,959,147)	(1,373,255)	(1,530,691)	(243,051)	-
(408,452)	1,283,300	(2,021,897)	(1,368,409)	(100,335)	177,258
2,730,398	1,960,876	(647,380)	(1,188,540)	(2,778,229)	77,125
-	2,560,971	2,823,859	(2,205,978)	(1,558,934)	1,619,918
-	-	1,519,670	1,338,926	427,874	3,286,470
-	-	-	2,314,250	1,327,646	3,641,896
-	-	-	-	599,144	599,144
<b><u>\$ (1,849,284)</u></b>	<b><u>\$ 2,931,374</u></b>	<b><u>\$ 256,360</u></b>	<b><u>\$ (3,622,589)</u></b>	<b><u>\$ (2,741,377)</u></b>	<b><u>\$ 10,118,942</u></b>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 1,555,947	\$ 5,112,268	\$ 4,875,244	\$ 4,669,859	\$ 4,846,832
1997	-	6,013,505	7,472,036	10,153,720	10,567,186
1998	-	-	3,560,931	5,971,368	9,253,116
1999	-	-	-	2,478,601	5,155,258
2000	-	-	-	-	3,447,028
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 1,555,947</u>	<u>\$ 11,125,773</u>	<u>\$ 15,908,211</u>	<u>\$ 23,273,548</u>	<u>\$ 33,269,420</u>

Incremental Losses Reported During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 1,555,947	\$ 3,556,321	\$ (237,024)	\$ (205,385)	\$ 176,973
1997	-	6,013,505	1,458,531	2,681,684	413,466
1998	-	-	3,560,931	2,410,437	3,281,748
1999	-	-	-	2,478,601	2,676,657
2000	-	-	-	-	3,447,028
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 1,555,947</u>	<u>\$ 9,569,826</u>	<u>\$ 4,782,438</u>	<u>\$ 7,365,337</u>	<u>\$ 9,995,872</u>

**Loss Development Through March 31, 2005**  
**Reported Losses (Paid Losses Plus Case Reserves): All Coverages**

2001	2002	2003	2004	2005
\$ 4,853,284	\$ 4,735,591	\$ 4,735,591	\$ 4,735,546	\$ 4,775,546
9,516,427	9,361,008	9,344,233	9,344,933	9,494,933
8,375,966	8,186,992	8,200,594	7,967,355	7,461,585
8,290,469	6,839,342	5,732,005	4,164,306	4,126,098
4,521,991	7,490,816	6,400,299	5,585,957	5,506,105
3,561,281	6,410,927	7,517,031	7,729,909	6,418,565
-	3,163,719	6,741,091	7,732,311	6,881,416
-	-	3,052,827	5,074,202	7,717,454
-	-	-	3,462,024	5,564,828
-	-	-	-	1,456,267
<b>\$ 39,119,418</b>	<b>\$ 46,188,395</b>	<b>\$ 51,723,671</b>	<b>\$ 55,796,543</b>	<b>\$ 59,402,797</b>

2001	2002	2003	2004	2005	Total
\$ 6,452	\$ (117,693)	\$ -	\$ (45)	\$ 40,000	\$ 4,775,546
(1,050,759)	(155,419)	(16,775)	700	150,000	9,494,933
(877,150)	(188,974)	13,602	(233,239)	(505,770)	7,461,585
3,135,211	(1,451,127)	(1,107,337)	(1,567,699)	(38,208)	4,126,098
1,074,963	2,968,825	(1,090,517)	(814,342)	(79,852)	5,506,105
3,561,281	2,849,646	1,106,104	212,878	(1,311,344)	6,418,565
-	3,163,719	3,577,372	991,220	(850,895)	6,881,416
-	-	3,052,827	2,021,375	2,643,252	7,717,454
-	-	-	3,462,024	2,102,804	5,564,828
-	-	-	-	1,456,267	1,456,267
<b>\$ 5,849,998</b>	<b>\$ 7,068,977</b>	<b>\$ 5,535,276</b>	<b>\$ 4,072,872</b>	<b>\$ 3,606,254</b>	<b>\$ 59,402,797</b>



# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 13,005,493	\$ 9,800,058	\$ 4,914,837	\$ 3,353,288	\$ 2,166,438
1997	-	13,093,241	7,416,655	2,709,645	1,857,926
1998	-	-	9,902,422	6,750,947	3,164,090
1999	-	-	-	11,609,220	8,128,121
2000	-	-	-	-	11,101,828
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 13,005,493</u>	<u>\$ 22,893,299</u>	<u>\$ 22,233,914</u>	<u>\$ 24,423,100</u>	<u>\$ 26,418,403</u>

Change in Incurred but not Reported Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 13,005,493	\$ (3,205,435)	\$ (4,885,221)	\$ (1,561,549)	\$ (1,186,850)
1997	-	13,093,241	(5,676,586)	(4,707,010)	(851,719)
1998	-	-	9,902,422	(3,151,475)	(3,586,857)
1999	-	-	-	11,609,220	(3,481,099)
2000	-	-	-	-	11,101,828
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 13,005,493</u>	<u>\$ 9,887,806</u>	<u>\$ (659,385)</u>	<u>\$ 2,189,186</u>	<u>\$ 1,995,303</u>

\* Incurred but not reported reserves are net of discount.

**Loss Development Through March 31, 2005**  
**\* Incurred But Not Reported Reserves: All Coverages**

2001	2002	2003	2004	2005
\$ 1,079,988	\$ 298,815	\$ 49,802	\$ 24,923	\$ -
1,161,426	540,558	88,413	43,856	-
910,731	415,607	166,224	193,249	1
4,260,678	1,925,649	294,020	111,616	-
8,893,479	5,182,432	2,198,979	690,871	2,292
11,285,240	6,834,756	3,125,000	752,986	716,173
-	11,120,560	6,481,685	1,620,913	1,272,407
-	-	12,679,514	7,942,658	2,774,787
-	-	-	12,691,486	7,581,802
-	-	-	-	12,942,908
<b><u>\$ 27,591,542</u></b>	<b><u>\$ 26,318,377</u></b>	<b><u>\$ 25,083,637</u></b>	<b><u>\$ 24,072,558</u></b>	<b><u>\$ 25,290,370</u></b>

2001	2002	2003	2004	2005	Total
\$ (1,086,450)	\$ (781,173)	\$ (249,013)	\$ (24,879)	\$ (24,923)	\$ -
(696,500)	(620,868)	(452,145)	(44,557)	(43,856)	-
(2,253,359)	(495,124)	(249,383)	27,025	(193,248)	1
(3,867,443)	(2,335,029)	(1,631,629)	(182,404)	(111,616)	-
(2,208,349)	(3,711,047)	(2,983,453)	(1,508,108)	(688,579)	2,292
11,285,240	(4,450,484)	(3,709,756)	(2,372,014)	(36,813)	716,173
-	11,120,560	(4,638,875)	(4,860,772)	(348,506)	1,272,407
-	-	12,679,514	(4,736,856)	(5,167,871)	2,774,787
-	-	-	12,691,486	(5,109,684)	7,581,802
-	-	-	-	12,942,908	12,942,908
<b><u>\$ 1,173,139</u></b>	<b><u>\$ (1,273,165)</u></b>	<b><u>\$ (1,234,740)</u></b>	<b><u>\$ (1,011,079)</u></b>	<b><u>\$ 1,217,812</u></b>	<b><u>\$ 25,290,370</u></b>

# Michigan County Road Commission Self-Insurance Pool

**Loss Development Through March 31, 2005**  
**Reported Claim Counts: All Coverages**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	88	170	192	198	199	199	200	202	202	202
1997	-	129	194	214	220	220	220	227	227	227
1998	-	-	112	164	180	187	187	194	194	194
1999	-	-	-	95	158	176	179	189	189	189
2000	-	-	-	-	98	143	156	179	179	179
2001	-	-	-	-	-	107	175	209	213	213
2002	-	-	-	-	-	-	135	221	228	228
2003	-	-	-	-	-	-	-	143	202	214
2004	-	-	-	-	-	-	-	-	169	216
2005	-	-	-	-	-	-	-	-	-	160
Total	<u>88</u>	<u>299</u>	<u>498</u>	<u>671</u>	<u>855</u>	<u>1,032</u>	<u>1,252</u>	<u>1,564</u>	<u>1,803</u>	<u>2,022</u>

## Michigan County Road Commission Self-Insurance Pool

**Loss Development Through March 31, 2005**  
**Closed Claim Counts: All Coverages**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	71	127	160	189	195	197	199	201	201	201
1997	-	83	154	185	211	217	219	225	225	225
1998	-	-	94	131	152	175	181	188	191	192
1999	-	-	-	72	131	151	171	187	188	189
2000	-	-	-	-	71	115	139	170	176	178
2001	-	-	-	-	-	88	147	185	203	211
2002	-	-	-	-	-	-	104	188	209	220
2003	-	-	-	-	-	-	-	112	180	199
2004	-	-	-	-	-	-	-	-	128	194
2005	-	-	-	-	-	-	-	-	-	120
Total	<u>71</u>	<u>210</u>	<u>408</u>	<u>577</u>	<u>760</u>	<u>943</u>	<u>1,160</u>	<u>1,456</u>	<u>1,701</u>	<u>1,929</u>

# **Michigan County Road Commission Self-Insurance Pool**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 122,167	\$ 905,754	\$ 2,190,092	\$ 3,320,862	\$ 3,599,710
1997	-	203,972	2,927,305	4,807,763	7,215,152
1998	-	-	119,055	1,576,870	3,368,952
1999	-	-	-	288,210	1,332,114
2000	-	-	-	-	99,036
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 122,167</u>	<u>\$ 1,109,726</u>	<u>\$ 5,236,452</u>	<u>\$ 9,993,705</u>	<u>\$ 15,614,964</u>

Loss Payments (Recoveries) During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 122,167	\$ 783,587	\$ 1,284,338	\$ 1,130,770	\$ 278,848
1997	-	203,972	2,723,333	1,880,458	2,407,389
1998	-	-	119,055	1,457,815	1,792,082
1999	-	-	-	288,210	1,043,904
2000	-	-	-	-	99,036
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 122,167</u>	<u>\$ 987,559</u>	<u>\$ 4,126,726</u>	<u>\$ 4,757,253</u>	<u>\$ 5,621,259</u>

**Loss Development Through March 31, 2005**  
**Paid Losses: General Liability**

2001	2002	2003	2004	2005
\$ 3,623,394	\$ 4,000,624	\$ 4,000,624	\$ 4,000,579	\$ 4,000,579
8,713,672	8,658,212	8,651,518	8,652,218	8,666,572
5,804,781	5,931,268	5,977,483	6,710,846	6,781,848
2,181,422	2,688,264	2,953,682	2,916,674	3,121,517
1,248,580	2,764,366	3,616,929	3,682,288	3,694,013
386,068	1,147,961	2,895,521	4,200,277	5,112,569
-	109,848	477,924	3,652,878	4,228,004
-	-	138,975	434,874	2,598,876
-	-	-	110,836	468,553
-	-	-	-	103,043
<b><u>\$ 21,957,917</u></b>	<b><u>\$ 25,300,543</u></b>	<b><u>\$ 28,712,656</u></b>	<b><u>\$ 34,361,470</u></b>	<b><u>\$ 38,775,574</u></b>

2001	2002	2003	2004	2005	Total
\$ 23,684	\$ 377,230	\$ -	\$ (45)	\$ -	\$ 4,000,579
1,498,520	(55,460)	(6,694)	700	14,354	8,666,572
2,435,829	126,487	46,215	733,363	71,002	6,781,848
849,308	506,842	265,418	(37,008)	204,843	3,121,517
1,149,544	1,515,786	852,563	65,359	11,725	3,694,013
386,068	761,893	1,747,560	1,304,756	912,292	5,112,569
-	109,848	368,076	3,174,954	575,126	4,228,004
-	-	138,975	295,899	2,164,002	2,598,876
-	-	-	110,836	357,717	468,553
-	-	-	-	103,043	103,043
<b><u>\$ 6,342,953</u></b>	<b><u>\$ 3,342,626</u></b>	<b><u>\$ 3,412,113</u></b>	<b><u>\$ 5,648,814</u></b>	<b><u>\$ 4,414,104</u></b>	<b><u>\$ 38,775,574</u></b>

# **Michigan County Road Commission Self-Insurance Pool**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 997,791	\$ 3,657,788	\$ 1,876,448	\$ 665,025	\$ 512,155
1997	-	2,435,115	3,428,362	4,847,731	3,052,215
1998	-	-	3,068,033	3,790,109	5,315,905
1999	-	-	-	1,821,686	3,349,781
2000	-	-	-	-	1,823,430
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 997,791</u>	<u>\$ 6,092,903</u>	<u>\$ 8,372,843</u>	<u>\$ 11,124,551</u>	<u>\$ 14,053,486</u>

Change in Case Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 997,791	\$ 2,659,997	\$ (1,781,340)	\$ (1,211,423)	\$ (152,870)
1997	-	2,435,115	993,247	1,419,369	(1,795,516)
1998	-	-	3,068,033	722,076	1,525,796
1999	-	-	-	1,821,686	1,528,095
2000	-	-	-	-	1,823,430
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 997,791</u>	<u>\$ 5,095,112</u>	<u>\$ 2,279,940</u>	<u>\$ 2,751,708</u>	<u>\$ 2,928,935</u>

**Loss Development Through March 31, 2005**  
**Case Reserves: General Liability**

2001	2002	2003	2004	2005
\$ 494,923	\$ -	\$ -	\$ -	\$ -
494,280	393,378	382,486	375,431	504,549
1,995,976	1,680,515	1,647,902	681,300	104,528
5,106,144	3,146,997	1,773,742	243,051	-
2,384,599	3,625,335	1,558,873	245,008	177,258
2,718,899	4,606,246	3,947,866	2,855,354	77,125
-	2,364,423	5,384,830	3,178,852	1,619,918
-	-	1,435,401	2,858,596	2,320,386
-	-	-	2,107,147	3,267,908
-	-	-	-	362,107
<b><u>\$ 13,194,821</u></b>	<b><u>\$ 15,816,894</u></b>	<b><u>\$ 16,131,100</u></b>	<b><u>\$ 12,544,739</u></b>	<b><u>\$ 8,433,779</u></b>

2001	2002	2003	2004	2005	Total
\$ (17,232)	\$ (494,923)	\$ -	\$ -	\$ -	\$ -
(2,557,935)	(100,902)	(10,892)	(7,055)	129,118	504,549
(3,319,929)	(315,461)	(32,613)	(966,602)	(576,772)	104,528
1,756,363	(1,959,147)	(1,373,255)	(1,530,691)	(243,051)	-
561,169	1,240,736	(2,066,462)	(1,313,865)	(67,750)	177,258
2,718,899	1,887,347	(658,380)	(1,092,512)	(2,778,229)	77,125
-	2,364,423	3,020,407	(2,205,978)	(1,558,934)	1,619,918
-	-	1,435,401	1,423,195	(538,210)	2,320,386
-	-	-	2,107,147	1,160,761	3,267,908
-	-	-	-	362,107	362,107
<b><u>\$ (858,665)</u></b>	<b><u>\$ 2,622,073</u></b>	<b><u>\$ 314,206</u></b>	<b><u>\$ (3,586,361)</u></b>	<b><u>\$ (4,110,960)</u></b>	<b><u>\$ 8,433,779</u></b>



## **Michigan County Road Commission Self-Insurance Pool**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 1,119,958	\$ 4,563,542	\$ 4,066,540	\$ 3,985,887	\$ 4,111,865
1997	-	2,639,087	6,355,667	9,655,494	10,267,367
1998	-	-	3,187,088	5,366,979	8,684,857
1999	-	-	-	2,109,896	4,681,895
2000	-	-	-	-	1,922,466
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 1,119,958</u>	<u>\$ 7,202,629</u>	<u>\$ 13,609,295</u>	<u>\$ 21,118,256</u>	<u>\$ 29,668,450</u>

Incremental Losses Reported During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 1,119,958	\$ 3,443,584	\$ (497,002)	\$ (80,653)	\$ 125,978
1997	-	2,639,087	3,716,580	3,299,827	611,873
1998	-	-	3,187,088	2,179,891	3,317,878
1999	-	-	-	2,109,896	2,571,999
2000	-	-	-	-	1,922,466
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 1,119,958</u>	<u>\$ 6,082,671</u>	<u>\$ 6,406,666</u>	<u>\$ 7,508,961</u>	<u>\$ 8,550,194</u>

**Loss Development Through March 31, 2005**  
**Reported Losses (Paid Losses Plus Case Reserves): General Liability**

2001	2002	2003	2004	2005
\$ 4,118,317	\$ 4,000,624	\$ 4,000,624	\$ 4,000,579	\$ 4,000,579
9,207,952	9,051,590	9,034,004	9,027,649	9,171,121
7,800,757	7,611,783	7,625,385	7,392,146	6,886,376
7,287,566	5,835,261	4,727,424	3,159,725	3,121,517
3,633,179	6,389,701	5,175,802	3,927,296	3,871,271
3,104,967	5,754,207	6,843,387	7,055,631	5,189,694
-	2,474,271	5,862,754	6,831,730	5,847,922
-	-	1,574,376	3,293,470	4,919,262
-	-	-	2,217,983	3,736,461
-	-	-	-	465,150
<b>\$ 35,152,738</b>	<b>\$ 41,117,437</b>	<b>\$ 44,843,756</b>	<b>\$ 46,906,209</b>	<b>\$ 47,209,353</b>

2001	2002	2003	2004	2005	Total
\$ 6,452	\$ (117,693)	\$ -	\$ (45)	\$ -	\$ 4,000,579
(1,059,415)	(156,362)	(17,586)	(6,355)	143,472	9,171,121
(884,100)	(188,974)	13,602	(233,239)	(505,770)	6,886,376
2,605,671	(1,452,305)	(1,107,837)	(1,567,699)	(38,208)	3,121,517
1,710,713	2,756,522	(1,213,899)	(1,248,506)	(56,025)	3,871,271
3,104,967	2,649,240	1,089,180	212,244	(1,865,937)	5,189,694
-	2,474,271	3,388,483	968,976	(983,808)	5,847,922
-	-	1,574,376	1,719,094	1,625,792	4,919,262
-	-	-	2,217,983	1,518,478	3,736,461
-	-	-	-	465,150	465,150
<b>\$ 5,484,288</b>	<b>\$ 5,964,699</b>	<b>\$ 3,726,319</b>	<b>\$ 2,062,453</b>	<b>\$ 303,144</b>	<b>\$ 47,209,353</b>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 12,936,399	\$ 9,800,058	\$ 4,914,837	\$ 3,353,288	\$ 2,166,438
1997	-	12,989,605	7,408,111	2,709,645	1,857,926
1998	-	-	9,811,978	6,734,328	3,164,090
1999	-	-	-	11,322,073	7,993,697
2000	-	-	-	-	10,969,156
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 12,936,399</u>	<u>\$ 22,789,663</u>	<u>\$ 22,134,926</u>	<u>\$ 24,119,334</u>	<u>\$ 26,151,307</u>

Change in Incurred but not Reported Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 12,936,399	\$ (3,136,341)	\$ (4,885,221)	\$ (1,561,549)	\$ (1,186,850)
1997	-	12,989,605	(5,581,494)	(4,698,466)	(851,719)
1998	-	-	9,811,978	(3,077,650)	(3,570,238)
1999	-	-	-	11,322,073	(3,328,376)
2000	-	-	-	-	10,969,156
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 12,936,399</u>	<u>\$ 9,853,264</u>	<u>\$ (654,737)</u>	<u>\$ 1,984,408</u>	<u>\$ 2,031,973</u>

\* Incurred but not reported reserves are net of discount.

**Loss Development Through March 31, 2005**  
**\* Incurred But Not Reported Reserves: General Liability**

2001	2002	2003	2004	2005
\$ 1,079,988	\$ 298,815	\$ 49,802	\$ 24,923	\$ -
1,161,426	540,558	88,413	43,856	-
910,731	415,607	166,224	193,249	1
4,260,678	1,925,649	294,020	111,616	-
8,861,009	5,182,432	2,198,979	690,871	2,292
11,007,544	6,829,156	3,125,000	752,986	716,173
-	10,976,380	6,445,977	1,620,913	1,272,407
-	-	12,312,756	7,922,077	2,774,787
-	-	-	12,416,128	7,497,271
-	-	-	-	12,655,029
<b><u>\$ 27,281,376</u></b>	<b><u>\$ 26,168,597</u></b>	<b><u>\$ 24,681,171</u></b>	<b><u>\$ 23,776,619</u></b>	<b><u>\$ 24,917,960</u></b>

2001	2002	2003	2004	2005	Total
\$ (1,086,450)	\$ (781,173)	\$ (249,013)	\$ (24,879)	\$ (24,923)	\$ -
(696,500)	(620,868)	(452,145)	(44,557)	(43,856)	-
(2,253,359)	(495,124)	(249,383)	27,025	(193,248)	1
(3,733,019)	(2,335,029)	(1,631,629)	(182,404)	(111,616)	-
(2,108,147)	(3,678,577)	(2,983,453)	(1,508,108)	(688,579)	2,292
11,007,544	(4,178,388)	(3,704,156)	(2,372,014)	(36,813)	716,173
-	10,976,380	(4,530,403)	(4,825,064)	(348,506)	1,272,407
-	-	12,312,756	(4,390,679)	(5,147,290)	2,774,787
-	-	-	12,416,128	(4,918,857)	7,497,271
-	-	-	-	12,655,029	12,655,029
<b><u>\$ 1,130,069</u></b>	<b><u>\$ (1,112,779)</u></b>	<b><u>\$ (1,487,426)</u></b>	<b><u>\$ (904,552)</u></b>	<b><u>\$ 1,141,341</u></b>	<b><u>\$ 24,917,960</u></b>

# Michigan County Road Commission Self-Insurance Pool

## Loss Development Through March 31, 2005 Reported Claim Counts: General Liability

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	23	80	93	99	99	99	100	102	102	102
1997	-	59	91	109	115	115	115	122	122	122
1998	-	-	33	65	78	84	84	91	91	91
1999	-	-	-	38	67	85	88	98	98	98
2000	-	-	-	-	32	59	72	95	96	96
2001	-	-	-	-	-	37	84	117	120	120
2002	-	-	-	-	-	-	40	101	107	107
2003	-	-	-	-	-	-	-	51	89	100
2004	-	-	-	-	-	-	-	-	62	88
2005	-	-	-	-	-	-	-	-	-	55
Total	<u>23</u>	<u>139</u>	<u>217</u>	<u>311</u>	<u>391</u>	<u>479</u>	<u>583</u>	<u>777</u>	<u>887</u>	<u>979</u>

# Michigan County Road Commission Self-Insurance Pool

**Loss Development Through March 31, 2005**  
**Closed Claim Counts: General Liability**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	8	37	65	91	96	98	100	102	102	102
1997	-	24	54	82	106	112	114	120	120	120
1998	-	-	15	34	50	72	78	85	88	89
1999	-	-	-	16	40	60	80	96	97	98
2000	-	-	-	-	11	33	57	88	94	95
2001	-	-	-	-	-	20	58	95	110	118
2002	-	-	-	-	-	-	24	68	88	99
2003	-	-	-	-	-	-	-	30	67	86
2004	-	-	-	-	-	-	-	-	37	67
2005	-	-	-	-	-	-	-	-	-	36
Total	<u>8</u>	<u>61</u>	<u>134</u>	<u>223</u>	<u>303</u>	<u>395</u>	<u>511</u>	<u>684</u>	<u>803</u>	<u>910</u>

# **Michigan County Road Commission Self-Insurance Pool**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 268	\$ 3,252	\$ 37,809	\$ 63,426	\$ 82,121
1997	-	347	7,525	15,500	60,006
1998	-	-	4,742	12,033	63,754
1999	-	-	-	-	42,435
2000	-	-	-	-	74,725
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 268</u>	<u>\$ 3,599</u>	<u>\$ 50,076</u>	<u>\$ 90,959</u>	<u>\$ 323,041</u>

Loss Payments During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 268	\$ 2,984	\$ 34,557	\$ 25,617	\$ 18,695
1997	-	347	7,178	7,975	44,506
1998	-	-	4,742	7,291	51,721
1999	-	-	-	-	42,435
2000	-	-	-	-	74,725
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 268</u>	<u>\$ 3,331</u>	<u>\$ 46,477</u>	<u>\$ 40,883</u>	<u>\$ 232,082</u>

**Loss Development Through March 31, 2005**  
**Paid Losses: Trunkline Liability**

2001	2002	2003	2004	2005
\$ 87,851	\$ 91,191	\$ 92,323	\$ 100,813	\$ 108,651
68,662	69,605	70,416	77,471	83,999
97,471	97,471	97,471	97,471	97,471
571,975	573,153	573,653	573,653	573,653
287,836	458,075	537,268	1,025,976	1,034,734
23,554	80,610	85,464	109,786	664,379
-	34,539	54,235	76,479	209,392
-	-	30,169	34,380	85,756
-	-	-	71,493	182,888
-	-	-	-	5,123
<b><u>\$ 1,137,349</u></b>	<b><u>\$ 1,404,644</u></b>	<b><u>\$ 1,540,999</u></b>	<b><u>\$ 2,167,522</u></b>	<b><u>\$ 3,046,046</u></b>

2001	2002	2003	2004	2005	Total
\$ 5,730	\$ 3,340	\$ 1,132	\$ 8,490	\$ 7,838	\$ 108,651
8,656	943	811	7,055	6,528	83,999
33,717	-	-	-	-	97,471
529,540	1,178	500	-	-	573,653
213,111	170,239	79,193	488,708	8,758	1,034,734
23,554	57,056	4,854	24,322	554,593	664,379
-	34,539	19,696	22,244	132,913	209,392
-	-	30,169	4,211	51,376	85,756
-	-	-	71,493	111,395	182,888
-	-	-	-	5,123	5,123
<b><u>\$ 814,308</u></b>	<b><u>\$ 267,295</u></b>	<b><u>\$ 136,355</u></b>	<b><u>\$ 626,523</u></b>	<b><u>\$ 878,524</u></b>	<b><u>\$ 3,046,046</u></b>



# **Michigan County Road Commission Self-Insurance Pool**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ -	\$ 2,018	\$ 213,033	\$ 62,253	\$ 94,584
1997	-	-	6,509	242,913	-
1998	-	-	-	115,018	26,767
1999	-	-	-	-	-
2000	-	-	-	-	17,500
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ 2,018</u>	<u>\$ 219,542</u>	<u>\$ 420,184</u>	<u>\$ 138,851</u>

Change in Case Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ -	\$ 2,018	\$ 211,015	\$ (150,780)	\$ 32,331
1997	-	-	6,509	236,404	(242,913)
1998	-	-	-	115,018	(88,251)
1999	-	-	-	-	-
2000	-	-	-	-	17,500
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ 2,018</u>	<u>\$ 217,524</u>	<u>\$ 200,642</u>	<u>\$ (281,333)</u>

**Loss Development Through March 31, 2005**  
**Case Reserves: Trunkline Liability**

2001	2002	2003	2004	2005
\$ 88,854	\$ 85,514	\$ 84,382	\$ 75,892	\$ 108,054
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	42,564	87,129	32,585	-
-	-	11,000	-	-
-	-	-	-	-
-	-	-	-	966,084
-	-	-	-	373,988
-	-	-	-	-
<u>\$ 88,854</u>	<u>\$ 128,078</u>	<u>\$ 182,511</u>	<u>\$ 108,477</u>	<u>\$ 1,448,126</u>

2001	2002	2003	2004	2005	Total
\$ (5,730)	\$ (3,340)	\$ (1,132)	\$ (8,490)	\$ 32,162	\$ 108,054
-	-	-	-	-	-
(26,767)	-	-	-	-	-
-	-	-	-	-	-
(17,500)	42,564	44,565	(54,544)	(32,585)	-
-	-	11,000	(11,000)	-	-
-	-	-	-	-	-
-	-	-	-	966,084	966,084
-	-	-	-	373,988	373,988
-	-	-	-	-	-
<u>\$ (49,997)</u>	<u>\$ 39,224</u>	<u>\$ 54,433</u>	<u>\$ (74,034)</u>	<u>\$ 1,339,649</u>	<u>\$ 1,448,126</u>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 268	\$ 5,270	\$ 250,842	\$ 125,679	\$ 176,705
1997	-	347	14,034	258,413	60,006
1998	-	-	4,742	127,051	90,521
1999	-	-	-	-	42,435
2000	-	-	-	-	92,225
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 268</u>	<u>\$ 5,617</u>	<u>\$ 269,618</u>	<u>\$ 511,143</u>	<u>\$ 461,892</u>

Incremental Losses Reported During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 268	\$ 5,002	\$ 245,572	\$ (125,163)	\$ 51,026
1997	-	347	13,687	244,379	(198,407)
1998	-	-	4,742	122,309	(36,530)
1999	-	-	-	-	42,435
2000	-	-	-	-	92,225
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 268</u>	<u>\$ 5,349</u>	<u>\$ 264,001</u>	<u>\$ 241,525</u>	<u>\$ (49,251)</u>

**Loss Development Through March 31, 2005**  
**Reported Losses (Paid Losses Plus Case Reserves): Trunkline Liability**

2001	2002	2003	2004	2005
\$ 176,705	\$ 176,705	\$ 176,705	\$ 176,705	\$ 216,705
68,662	69,605	70,416	77,471	83,999
97,471	97,471	97,471	97,471	97,471
571,975	573,153	573,653	573,653	573,653
287,836	500,639	624,397	1,058,561	1,034,734
23,554	80,610	96,464	109,786	664,379
-	34,539	54,235	76,479	209,392
-	-	30,169	34,380	1,051,840
-	-	-	71,493	556,876
-	-	-	-	5,123
<u>\$ 1,226,203</u>	<u>\$ 1,532,722</u>	<u>\$ 1,723,510</u>	<u>\$ 2,275,999</u>	<u>\$ 4,494,172</u>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ 40,000	\$ 216,705
8,656	943	811	7,055	6,528	83,999
6,950	-	-	-	-	97,471
529,540	1,178	500	-	-	573,653
195,611	212,803	123,758	434,164	(23,827)	1,034,734
23,554	57,056	15,854	13,322	554,593	664,379
-	34,539	19,696	22,244	132,913	209,392
-	-	30,169	4,211	1,017,460	1,051,840
-	-	-	71,493	485,383	556,876
-	-	-	-	5,123	5,123
<u>\$ 764,311</u>	<u>\$ 306,519</u>	<u>\$ 190,788</u>	<u>\$ 552,489</u>	<u>\$ 2,218,173</u>	<u>\$ 4,494,172</u>

# Michigan County Road Commission Self-Insurance Pool

## Loss Development Through March 31, 2005 Reported Claim Counts: Trunkline Liability

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	1	2	9	9	10	10	10	10	10	10
1997	-	1	4	6	6	6	6	6	6	6
1998	-	-	4	10	13	14	14	14	14	14
1999	-	-	-	-	5	5	5	5	5	5
2000	-	-	-	-	3	3	3	3	3	3
2001	-	-	-	-	-	2	3	3	4	4
2002	-	-	-	-	-	-	-	-	1	1
2003	-	-	-	-	-	-	-	1	2	3
2004	-	-	-	-	-	-	-	-	1	3
2005	-	-	-	-	-	-	-	-	-	-
Total	<u>1</u>	<u>3</u>	<u>17</u>	<u>25</u>	<u>37</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>46</u>	<u>49</u>

# Michigan County Road Commission Self-Insurance Pool

## Loss Development Through March 31, 2005 Closed Claim Counts: Trunkline Liability

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	1	2	5	8	9	9	9	9	9	9
1997	-	1	3	4	6	6	6	6	6	6
1998	-	-	4	8	13	14	14	14	14	14
1999	-	-	-	-	5	5	5	5	5	5
2000	-	-	-	-	1	1	1	1	2	3
2001	-	-	-	-	-	1	2	2	4	4
2002	-	-	-	-	-	-	-	-	1	1
2003	-	-	-	-	-	-	-	1	2	2
2004	-	-	-	-	-	-	-	-	1	2
2005	-	-	-	-	-	-	-	-	-	-
Total	<u>1</u>	<u>3</u>	<u>12</u>	<u>20</u>	<u>34</u>	<u>36</u>	<u>37</u>	<u>38</u>	<u>44</u>	<u>46</u>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 15,026	\$ 44,345	\$ 44,345	\$ 44,345	\$ 44,345
1997	-	12,763	14,451	14,451	14,451
1998	-	-	10,898	12,849	12,849
1999	-	-	-	18,464	36,110
2000	-	-	-	-	3,965
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 15,026</u>	<u>\$ 57,108</u>	<u>\$ 69,694</u>	<u>\$ 90,109</u>	<u>\$ 111,720</u>

Loss Payments (Recoveries) During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 15,026	\$ 29,319	\$ -	\$ -	\$ -
1997	-	12,763	1,688	-	-
1998	-	-	10,898	1,951	-
1999	-	-	-	18,464	17,646
2000	-	-	-	-	3,965
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 15,026</u>	<u>\$ 42,082</u>	<u>\$ 12,586</u>	<u>\$ 20,415</u>	<u>\$ 21,611</u>

**Loss Development Through March 31, 2005**  
**Paid Losses: Auto Physical Damage**

2001	2002	2003	2004	2005
\$ 44,345	\$ 44,345	\$ 44,345	\$ 44,345	\$ 44,345
14,451	14,451	14,451	14,451	14,451
12,849	12,849	12,849	12,849	12,849
36,110	36,110	36,110	36,110	36,110
3,965	3,965	3,965	3,965	3,965
73,854	74,719	74,719	74,719	74,719
-	37,721	39,284	39,284	39,284
-	-	2,168	5,708	5,708
-	-	-	20,224	20,224
-	-	-	-	23,526
<u>\$ 185,574</u>	<u>\$ 224,160</u>	<u>\$ 227,891</u>	<u>\$ 251,655</u>	<u>\$ 275,181</u>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,345
-	-	-	-	-	14,451
-	-	-	-	-	12,849
-	-	-	-	-	36,110
-	-	-	-	-	3,965
73,854	865	-	-	-	74,719
-	37,721	1,563	-	-	39,284
-	-	2,168	3,540	-	5,708
-	-	-	20,224	-	20,224
-	-	-	-	23,526	23,526
<u>\$ 73,854</u>	<u>\$ 38,586</u>	<u>\$ 3,731</u>	<u>\$ 23,764</u>	<u>\$ 23,526</u>	<u>\$ 275,181</u>



# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001
1996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1997	-	-	-	-	-	-
1998	-	-	-	-	-	-
1999	-	-	-	-	-	-
2000	-	-	-	-	-	-
2001	-	-	-	-	-	-
2002	-	-	-	-	-	-
2003	-	-	-	-	-	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Change in Case Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000	2001
1996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1997	-	-	-	-	-	-
1998	-	-	-	-	-	-
1999	-	-	-	-	-	-
2000	-	-	-	-	-	-
2001	-	-	-	-	-	-
2002	-	-	-	-	-	-
2003	-	-	-	-	-	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Loss Development Through March 31, 2005**  
**Case Reserves: Auto Physical Damage**

[illegible]

2002		2003		2004		2005		Total
\$ -		\$ -		\$ -		\$ -		\$ -
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
-		-		-		-		-
<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>
<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001
1996	\$ 15,026	\$ 44,345	\$ 44,345	\$ 44,345	\$ 44,345	\$ 44,345
1997	-	12,763	14,451	14,451	14,451	14,451
1998	-	-	10,898	12,849	12,849	12,849
1999	-	-	-	18,464	36,110	36,110
2000	-	-	-	-	3,965	3,965
2001	-	-	-	-	-	73,854
2002	-	-	-	-	-	-
2003	-	-	-	-	-	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
Total	<u>\$ 15,026</u>	<u>\$ 57,108</u>	<u>\$ 69,694</u>	<u>\$ 90,109</u>	<u>\$ 111,720</u>	<u>\$ 185,574</u>

Incremental Losses Reported During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000	2001
1996	\$ 15,026	\$ 29,319	\$ -	\$ -	\$ -	\$ -
1997	-	12,763	1,688	-	-	-
1998	-	-	10,898	1,951	-	-
1999	-	-	-	18,464	17,646	-
2000	-	-	-	-	3,965	-
2001	-	-	-	-	-	73,854
2002	-	-	-	-	-	-
2003	-	-	-	-	-	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
Total	<u>\$ 15,026</u>	<u>\$ 42,082</u>	<u>\$ 12,586</u>	<u>\$ 20,415</u>	<u>\$ 21,611</u>	<u>\$ 73,854</u>

**Loss Development Through March 31, 2005**  
**Reported Losses (Paid Losses Plus Case Reserves): Auto Physical Damage**

2002	2003	2004	2005
\$ 44,345	\$ 44,345	\$ 44,345	\$ 44,345
14,451	14,451	14,451	14,451
12,849	12,849	12,849	12,849
36,110	36,110	36,110	36,110
3,965	3,965	3,965	3,965
74,719	74,719	74,719	74,719
37,721	39,284	39,284	39,284
-	2,168	5,708	5,708
-	-	20,224	20,224
-	-	-	23,526
<b>\$ 224,160</b>	<b>\$ 227,891</b>	<b>\$ 251,655</b>	<b>\$ 275,181</b>

2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ 44,345
-	-	-	-	14,451
-	-	-	-	12,849
-	-	-	-	36,110
-	-	-	-	3,965
865	-	-	-	74,719
37,721	1,563	-	-	39,284
-	2,168	3,540	-	5,708
-	-	20,224	-	20,224
-	-	-	23,526	23,526
<b>\$ 38,586</b>	<b>\$ 3,731</b>	<b>\$ 23,764</b>	<b>\$ 23,526</b>	<b>\$ 275,181</b>

# Michigan County Road Commission Self-Insurance Pool

## Loss Development Through March 31, 2005 Reported Claim Counts: Auto Physical Damage

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	1	2	2	2	2	2	2	2	2	2
1997	-	14	4	4	4	4	4	4	4	4
1998	-	-	2	3	3	3	3	3	3	3
1999	-	-	-	4	5	5	5	5	5	5
2000	-	-	-	-	3	3	3	3	3	3
2001	-	-	-	-	-	3	4	4	4	4
2002	-	-	-	-	-	-	4	5	5	5
2003	-	-	-	-	-	-	-	-	1	1
2004	-	-	-	-	-	-	-	-	3	3
2005	-	-	-	-	-	-	-	-	-	1
Total	<u>1</u>	<u>16</u>	<u>8</u>	<u>13</u>	<u>17</u>	<u>20</u>	<u>25</u>	<u>26</u>	<u>30</u>	<u>31</u>

## Michigan County Road Commission Self-Insurance Pool

### Loss Development Through March 31, 2005 Closed Claim Counts: Auto Physical Damage

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	2	2	2	2	2	2	2	2	2	2
1997	-	13	4	4	4	4	4	4	4	4
1998	-	-	2	3	3	3	3	3	3	3
1999	-	-	-	4	5	5	5	5	5	5
2000	-	-	-	-	3	3	3	3	3	3
2001	-	-	-	-	-	3	4	4	4	4
2002	-	-	-	-	-	-	4	5	5	5
2003	-	-	-	-	-	-	-	-	1	1
2004	-	-	-	-	-	-	-	-	3	3
2005	-	-	-	-	-	-	-	-	-	1
Total	<u>2</u>	<u>15</u>	<u>8</u>	<u>13</u>	<u>17</u>	<u>20</u>	<u>25</u>	<u>26</u>	<u>30</u>	<u>31</u>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 95,319	\$ 249,313	\$ 249,313	\$ 249,313	\$ 249,313
1997	-	822	11,845	231,978	231,978
1998	-	-	16,381	17,883	17,883
1999	-	-	-	71,566	162,881
2000	-	-	-	-	206,647
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 95,319</u>	<u>\$ 250,135</u>	<u>\$ 277,539</u>	<u>\$ 570,740</u>	<u>\$ 868,702</u>

Loss Payments (Recoveries) During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 95,319	\$ 153,994	\$ -	\$ -	\$ -
1997	-	822	11,023	220,133	-
1998	-	-	16,381	1,502	-
1999	-	-	-	71,566	91,315
2000	-	-	-	-	206,647
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 95,319</u>	<u>\$ 154,816</u>	<u>\$ 27,404</u>	<u>\$ 293,201</u>	<u>\$ 297,962</u>

**Loss Development Through March 31, 2005**  
**Paid Losses: Property**

2001	2002	2003	2004	2005
\$ 249,313	\$ 249,313	\$ 249,313	\$ 249,313	\$ 249,313
231,978	231,978	231,978	231,978	231,978
17,883	17,883	17,883	17,883	17,883
162,881	162,881	162,881	162,881	162,881
226,426	226,426	226,426	226,426	226,426
172,326	146,491	145,331	217,671	217,671
-	56,730	80,083	80,083	80,083
-	-	920,085	973,398	973,398
-	-	-	78,907	180,199
-	-	-	-	47,056
<u>\$ 1,060,807</u>	<u>\$ 1,091,702</u>	<u>\$ 2,033,980</u>	<u>\$ 2,238,540</u>	<u>\$ 2,386,888</u>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249,313
-	-	-	-	-	231,978
-	-	-	-	-	17,883
-	-	-	-	-	162,881
19,779	-	-	-	-	226,426
172,326	(25,835)	(1,160)	72,340	-	217,671
-	56,730	23,353	-	-	80,083
-	-	920,085	53,313	-	973,398
-	-	-	78,907	101,292	180,199
-	-	-	-	47,056	47,056
<u>\$ 192,105</u>	<u>\$ 30,895</u>	<u>\$ 942,278</u>	<u>\$ 204,560</u>	<u>\$ 148,348</u>	<u>\$ 2,386,888</u>



# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 500	\$ -	\$ -	\$ -	\$ -
1997	-	3,216,678	877,707	-	-
1998	-	-	-	-	-
1999	-	-	-	101,785	-
2000	-	-	-	-	875,000
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 500</u>	<u>\$ 3,216,678</u>	<u>\$ 877,707</u>	<u>\$ 101,785</u>	<u>\$ 875,000</u>

Change in Case Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 500	\$ (500)	\$ -	\$ -	\$ -
1997	-	3,216,678	(2,338,971)	(877,707)	-
1998	-	-	-	-	-
1999	-	-	-	101,785	(101,785)
2000	-	-	-	-	875,000
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 500</u>	<u>\$ 3,216,178</u>	<u>\$ (2,338,971)</u>	<u>\$ (775,922)</u>	<u>\$ 773,215</u>

**Loss Development Through March 31, 2005**  
**Case Reserves: Property**

2001	2002	2003	2004	2005
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	85,028	85,028	-	-
-	16,823	-	-	-
-	-	33,500	-	-
-	-	-	52,595	-
-	-	-	-	26,185
<u>\$ -</u>	<u>\$ 101,851</u>	<u>\$ 118,528</u>	<u>\$ 52,595</u>	<u>\$ 26,185</u>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(875,000)	-	-	-	-	-
-	85,028	-	(85,028)	-	-
-	16,823	(16,823)	-	-	-
-	-	33,500	(33,500)	-	-
-	-	-	52,595	(52,595)	-
-	-	-	-	26,185	26,185
<u>\$ (875,000)</u>	<u>\$ 101,851</u>	<u>\$ 16,677</u>	<u>\$ (65,933)</u>	<u>\$ (26,410)</u>	<u>\$ 26,185</u>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 95,819	\$ 249,313	\$ 249,313	\$ 249,313	\$ 249,313
1997	-	3,217,500	889,552	231,978	231,978
1998	-	-	16,381	17,883	17,883
1999	-	-	-	173,351	162,881
2000	-	-	-	-	1,081,647
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 95,819</u>	<u>\$ 3,466,813</u>	<u>\$ 1,155,246</u>	<u>\$ 672,525</u>	<u>\$ 1,743,702</u>

Incremental Losses Reported During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 95,819	\$ 153,494	\$ -	\$ -	\$ -
1997	-	3,217,500	(2,327,948)	(657,574)	-
1998	-	-	16,381	1,502	-
1999	-	-	-	173,351	(10,470)
2000	-	-	-	-	1,081,647
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 95,819</u>	<u>\$ 3,370,994</u>	<u>\$ (2,311,567)</u>	<u>\$ (482,721)</u>	<u>\$ 1,071,177</u>

**Loss Development Through March 31, 2005**  
**Reported Losses (Paid Losses Plus Case Reserves): Property**

2001	2002	2003	2004	2005
\$ 249,313	\$ 249,313	\$ 249,313	\$ 249,313	\$ 249,313
231,978	231,978	231,978	231,978	231,978
17,883	17,883	17,883	17,883	17,883
162,881	162,881	162,881	162,881	162,881
226,426	226,426	226,426	226,426	226,426
172,326	231,519	230,359	217,671	217,671
-	73,553	80,083	80,083	80,083
-	-	953,585	973,398	973,398
-	-	-	131,502	180,199
-	-	-	-	73,241
<b><u>\$ 1,060,807</u></b>	<b><u>\$ 1,193,553</u></b>	<b><u>\$ 2,152,508</u></b>	<b><u>\$ 2,291,135</u></b>	<b><u>\$ 2,413,073</u></b>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249,313
-	-	-	-	-	231,978
-	-	-	-	-	17,883
-	-	-	-	-	162,881
(855,221)	-	-	-	-	226,426
172,326	59,193	(1,160)	(12,688)	-	217,671
-	73,553	6,530	-	-	80,083
-	-	953,585	19,813	-	973,398
-	-	-	131,502	48,697	180,199
-	-	-	-	73,241	73,241
<b><u>\$ (682,895)</u></b>	<b><u>\$ 132,746</u></b>	<b><u>\$ 958,955</u></b>	<b><u>\$ 138,627</u></b>	<b><u>\$ 121,938</u></b>	<b><u>\$ 2,413,073</u></b>

# Michigan County Road Commission Self-Insurance Pool

**Loss Development Through March 31, 2005**  
**Reported Claim Counts: Property**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	12	14	14	14	14	14	14	14	14	14
1997	-	11	12	15	15	15	15	15	15	15
1998	-	-	8	11	11	11	11	11	11	11
1999	-	-	-	15	26	26	26	26	26	26
2000	-	-	-	-	9	13	13	13	13	13
2001	-	-	-	-	-	14	18	18	18	18
2002	-	-	-	-	-	-	15	18	18	18
2003	-	-	-	-	-	-	-	19	22	22
2004	-	-	-	-	-	-	-	-	14	20
2005	-	-	-	-	-	-	-	-	-	12
Total	<u>12</u>	<u>25</u>	<u>34</u>	<u>55</u>	<u>75</u>	<u>93</u>	<u>112</u>	<u>134</u>	<u>151</u>	<u>169</u>

# Michigan County Road Commission Self-Insurance Pool

**Loss Development Through March 31, 2005**  
**Closed Claim Counts: Property**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	11	14	14	14	14	14	14	14	14	14
1997	-	7	11	15	15	15	15	15	15	15
1998	-	-	8	11	11	11	11	11	11	11
1999	-	-	-	14	26	26	26	26	26	26
2000	-	-	-	-	8	13	13	13	13	13
2001	-	-	-	-	-	14	17	17	18	18
2002	-	-	-	-	-	-	13	18	18	18
2003	-	-	-	-	-	-	-	16	22	22
2004	-	-	-	-	-	-	-	-	9	20
2005	-	-	-	-	-	-	-	-	-	7
Total	<u>11</u>	<u>21</u>	<u>33</u>	<u>54</u>	<u>74</u>	<u>93</u>	<u>109</u>	<u>130</u>	<u>146</u>	<u>164</u>

# **Michigan County Road Commission Self-Insurance Pool**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 324,543	\$ 249,798	\$ 264,204	\$ 264,604	\$ 264,604
1997	-	102,546	175,470	(6,616)	(6,616)
1998	-	-	341,806	446,606	447,006
1999	-	-	-	176,890	231,937
2000	-	-	-	-	269,604
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 324,543</u>	<u>\$ 352,344</u>	<u>\$ 781,480</u>	<u>\$ 881,484</u>	<u>\$ 1,206,535</u>

Loss Payments (Recoveries) During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 324,543	\$ (74,745)	\$ 14,406	\$ 400	\$ -
1997	-	102,546	72,924	(182,086)	-
1998	-	-	341,806	104,800	400
1999	-	-	-	176,890	55,047
2000	-	-	-	-	269,604
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 324,543</u>	<u>\$ 27,801</u>	<u>\$ 429,136</u>	<u>\$ 100,004</u>	<u>\$ 325,051</u>

**Loss Development Through March 31, 2005**  
**Paid Losses: Equipment Physical**

2001	2002	2003	2004	2005
\$ 264,604	\$ 264,604	\$ 264,604	\$ 264,604	\$ 264,604
(6,616)	(6,616)	(6,616)	(6,616)	(6,616)
447,006	447,006	447,006	447,006	447,006
231,937	231,937	231,937	231,937	231,937
370,585	370,085	369,709	369,709	369,709
175,081	269,872	272,102	272,102	272,102
-	363,910	704,735	704,735	704,735
-	-	441,760	767,246	767,246
-	-	-	866,314	1,071,068
-	-	-	-	678,375
<b><u>\$ 1,482,597</u></b>	<b><u>\$ 1,940,798</u></b>	<b><u>\$ 2,725,237</u></b>	<b><u>\$ 3,917,037</u></b>	<b><u>\$ 4,800,166</u></b>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264,604
-	-	-	-	-	(6,616)
-	-	-	-	-	447,006
-	-	-	-	-	231,937
100,981	(500)	(376)	-	-	369,709
175,081	94,791	2,230	-	-	272,102
-	363,910	340,825	-	-	704,735
-	-	441,760	325,486	-	767,246
-	-	-	866,314	204,754	1,071,068
-	-	-	-	678,375	678,375
<b><u>\$ 276,062</u></b>	<b><u>\$ 458,201</u></b>	<b><u>\$ 784,439</u></b>	<b><u>\$ 1,191,800</u></b>	<b><u>\$ 883,129</u></b>	<b><u>\$ 4,800,166</u></b>



# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 333	\$ -	\$ -	\$ 31	\$ -
1997	-	41,262	22,862	-	-
1998	-	-	16	-	-
1999	-	-	-	-	-
2000	-	-	-	-	77,121
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 333</u>	<u>\$ 41,262</u>	<u>\$ 22,878</u>	<u>\$ 31</u>	<u>\$ 77,121</u>

Change in Case Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 333	\$ (333)	\$ -	\$ 31	\$ (31)
1997	-	41,262	(18,400)	(22,862)	-
1998	-	-	16	(16)	-
1999	-	-	-	-	-
2000	-	-	-	-	77,121
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 333</u>	<u>\$ 40,929</u>	<u>\$ (18,384)</u>	<u>\$ (22,847)</u>	<u>\$ 77,090</u>

**Loss Development Through March 31, 2005**  
**Case Reserves: Equipment Physical**

2001	2002	2003	2004	2005
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
11,499	-	-	-	-
-	179,725	-	-	-
-	-	50,769	-	-
-	-	-	154,508	-
-	-	-	-	210,852
<u>\$ 11,499</u>	<u>\$ 179,725</u>	<u>\$ 50,769</u>	<u>\$ 154,508</u>	<u>\$ 210,852</u>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(77,121)	-	-	-	-	-
11,499	(11,499)	-	-	-	-
-	179,725	(179,725)	-	-	-
-	-	50,769	(50,769)	-	-
-	-	-	154,508	(154,508)	-
-	-	-	-	210,852	210,852
<u>\$ (65,622)</u>	<u>\$ 168,226</u>	<u>\$ (128,956)</u>	<u>\$ 103,739</u>	<u>\$ 56,344</u>	<u>\$ 210,852</u>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 324,876	\$ 249,798	\$ 264,204	\$ 264,635	\$ 264,604
1997	-	143,808	198,332	(6,616)	(6,616)
1998	-	-	341,822	446,606	447,006
1999	-	-	-	176,890	231,937
2000	-	-	-	-	346,725
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 324,876</u>	<u>\$ 393,606</u>	<u>\$ 804,358</u>	<u>\$ 881,515</u>	<u>\$ 1,283,656</u>

Incremental Losses Reported During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 324,876	\$ (75,078)	\$ 14,406	\$ 431	\$ (31)
1997	-	143,808	54,524	(204,948)	-
1998	-	-	341,822	104,784	400
1999	-	-	-	176,890	55,047
2000	-	-	-	-	346,725
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 324,876</u>	<u>\$ 68,730</u>	<u>\$ 410,752</u>	<u>\$ 77,157</u>	<u>\$ 402,141</u>

**Loss Development Through March 31, 2005**  
**Reported Losses (Paid Losses Plus Case Reserves): Equipment Physical**

2001	2002	2003	2004	2005
\$ 264,604	\$ 264,604	\$ 264,604	\$ 264,604	\$ 264,604
(6,616)	(6,616)	(6,616)	(6,616)	(6,616)
447,006	447,006	447,006	447,006	447,006
231,937	231,937	231,937	231,937	231,937
370,585	370,085	369,709	369,709	369,709
186,580	269,872	272,102	272,102	272,102
-	543,635	704,735	704,735	704,735
-	-	492,529	767,246	767,246
-	-	-	1,020,822	1,071,068
-	-	-	-	889,227
<b><u>\$ 1,494,096</u></b>	<b><u>\$ 2,120,523</u></b>	<b><u>\$ 2,776,006</u></b>	<b><u>\$ 4,071,545</u></b>	<b><u>\$ 5,011,018</u></b>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 264,604
-	-	-	-	-	(6,616)
-	-	-	-	-	447,006
-	-	-	-	-	231,937
23,860	(500)	(376)	-	-	369,709
186,580	83,292	2,230	-	-	272,102
-	543,635	161,100	-	-	704,735
-	-	492,529	274,717	-	767,246
-	-	-	1,020,822	50,246	1,071,068
-	-	-	-	889,227	889,227
<b><u>\$ 210,440</u></b>	<b><u>\$ 626,427</u></b>	<b><u>\$ 655,483</u></b>	<b><u>\$ 1,295,539</u></b>	<b><u>\$ 939,473</u></b>	<b><u>\$ 5,011,018</u></b>

# Michigan County Road Commission Self-Insurance Pool

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 69,094	\$ -	\$ -	\$ -	\$ -
1997	-	103,636	8,544	-	-
1998	-	-	90,444	16,619	-
1999	-	-	-	287,147	134,424
2000	-	-	-	-	132,672
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 69,094</u>	<u>\$ 103,636</u>	<u>\$ 98,988</u>	<u>\$ 303,766</u>	<u>\$ 267,096</u>

Change in Incurred but not Reported Reserves During Year Ended March 31:

Accident Year	1996	1997	1998	1999	2000
1996	\$ 69,094	\$ (69,094)	\$ -	\$ -	\$ -
1997	-	103,636	(95,092)	(8,544)	-
1998	-	-	90,444	(73,825)	(16,619)
1999	-	-	-	287,147	(152,723)
2000	-	-	-	-	132,672
2001	-	-	-	-	-
2002	-	-	-	-	-
2003	-	-	-	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
Total	<u>\$ 69,094</u>	<u>\$ 34,542</u>	<u>\$ (4,648)</u>	<u>\$ 204,778</u>	<u>\$ (36,670)</u>

\* Incurred but not reported reserves are net of discount.

**Loss Development Through March 31, 2005**  
**\* Incurred But Not Reported Reserves: Equipment Physical**

2001	2002	2003	2004	2005
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
32,470	-	-	-	-
277,696	5,600	-	-	-
-	144,180	35,708	-	-
-	-	366,758	20,581	-
-	-	-	275,358	84,531
-	-	-	-	287,879
<u>\$ 310,166</u>	<u>\$ 149,780</u>	<u>\$ 402,466</u>	<u>\$ 295,939</u>	<u>\$ 372,410</u>

2001	2002	2003	2004	2005	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
(134,424)	-	-	-	-	-
(100,202)	(32,470)	-	-	-	-
277,696	(272,096)	(5,600)	-	-	-
-	144,180	(108,472)	(35,708)	-	-
-	-	366,758	(346,177)	(20,581)	-
-	-	-	275,358	(190,827)	84,531
-	-	-	-	287,879	287,879
<u>\$ 43,070</u>	<u>\$ (160,386)</u>	<u>\$ 252,686</u>	<u>\$ (106,527)</u>	<u>\$ 76,471</u>	<u>\$ 372,410</u>

# Michigan County Road Commission Self-Insurance Pool

**Loss Development Through March 31, 2005**  
**Reported Claim Counts: Equipment Physical**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	51	72	74	74	74	74	74	74	74	74
1997	-	44	83	80	80	80	80	80	80	80
1998	-	-	65	75	75	75	75	75	75	75
1999	-	-	-	38	55	55	55	55	55	55
2000	-	-	-	-	51	65	65	65	64	64
2001	-	-	-	-	-	51	66	67	67	67
2002	-	-	-	-	-	-	76	97	97	97
2003	-	-	-	-	-	-	-	72	88	88
2004	-	-	-	-	-	-	-	-	89	102
2005	-	-	-	-	-	-	-	-	-	92
Total	<u>51</u>	<u>116</u>	<u>222</u>	<u>267</u>	<u>335</u>	<u>400</u>	<u>491</u>	<u>585</u>	<u>689</u>	<u>794</u>

# Michigan County Road Commission Self-Insurance Pool

**Loss Development Through March 31, 2005**  
**Closed Claim Counts: Equipment Physical**

Evaluation as of March 31:

Accident Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
1996	49	72	74	74	74	74	74	74	74	74
1997	-	38	82	80	80	80	80	80	80	80
1998	-	-	65	75	75	75	75	75	75	75
1999	-	-	-	38	55	55	55	55	55	55
2000	-	-	-	-	48	65	65	65	64	64
2001	-	-	-	-	-	50	66	67	67	67
2002	-	-	-	-	-	-	63	97	97	97
2003	-	-	-	-	-	-	-	65	88	88
2004	-	-	-	-	-	-	-	-	78	102
2005	-	-	-	-	-	-	-	-	-	76
Total	<u>49</u>	<u>110</u>	<u>221</u>	<u>267</u>	<u>332</u>	<u>399</u>	<u>478</u>	<u>578</u>	<u>678</u>	<u>778</u>



# **Michigan County Road Commission Self-Insurance Pool**

**Aging of Receivables  
March 31, 2005**

Members receivables:

0 - 30	\$ 14,945
31-90	-
> 90	-

Total members receivable	<u>\$ 14,945</u>
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# Michigan County Road Commission Self-Insurance Pool

	1996	1997	1998	1999
<b>Revenue</b>				
Member contributions	\$ 15,266,473	\$ 15,149,791	\$ 14,759,107	\$ 14,793,180
Rental income	-	-	79,099	81,612
<b>Total revenue</b>	<b>15,266,473</b>	<b>15,149,791</b>	<b>14,838,206</b>	<b>14,874,792</b>
<b>Expenses</b>				
Provisions for claims:				
Payments	8,680,789	7,001,486	9,429,448	6,306,020
Increase in (reduction to) allowances for unsettled claims and claims incurred but not reported	(1,747,605)	(1,044,227)	(3,391,717)	(285,023)
Reinsurance and excess insurance premiums	4,434,153	4,272,028	4,308,984	4,184,576
Service fee	1,225,982	1,493,069	1,420,000	1,352,850
Administrative expenses:				
Salaries and wages	125,599	131,660	140,127	172,093
Taxes and insurance	12,027	12,132	14,160	15,826
Professional fees	116,690	105,289	170,622	136,295
Investment expenses	131,739	151,056	180,246	180,724
Office expenses	31,607	37,321	49,886	49,802
Rental expenses	57,157	60,764	100,369	120,666
Other	82,943	91,446	219,487	86,993
<b>Total expenses</b>	<b>13,151,081</b>	<b>12,312,024</b>	<b>12,641,612</b>	<b>12,320,822</b>
<b>Excess of Revenue Over (Under) Expenses -</b>				
Before other income (expense) and distributions to members	2,115,392	2,837,767	2,196,594	2,553,970
<b>Other Income (Expense)</b>				
Interest and dividend income	2,549,843	2,804,171	3,028,391	2,956,471
Realized and unrealized gains (losses) on investments	607,821	922,370	15,519,011	7,454,193
Rental income	88,104	82,290	-	-
<b>Total other income (expense)</b>	<b>3,245,768</b>	<b>3,808,831</b>	<b>18,547,402</b>	<b>10,410,664</b>
<b>Excess of Revenue Over (Under) Expenses -</b>				
Before distributions to members	5,361,160	6,646,598	20,743,996	12,964,634
<b>Distributions to Members</b>	<b>-</b>	<b>1,601,280</b>	<b>3,228,006</b>	<b>11,006,953</b>
<b>Excess of Revenue Over (Under) Expenses</b>	<b>\$ 5,361,160</b>	<b>\$ 5,045,318</b>	<b>\$ 17,515,990</b>	<b>\$ 1,957,681</b>

**Comparative Schedule of Revenue and Expenses**  
**Years Ended March 31, 1995 through March 31, 2005**

2000	2001	2002	2003	2004	2005
\$ 14,386,635	\$ 14,576,954	\$ 14,810,048	\$ 15,964,448	\$ 18,561,140	\$ 19,721,992
<u>95,496</u>	<u>84,069</u>	<u>93,075</u>	<u>92,914</u>	<u>97,365</u>	<u>97,027</u>
14,482,131	14,661,023	14,903,123	16,057,362	18,658,505	19,819,019
7,284,074	7,805,692	4,135,468	5,279,417	7,695,461	6,347,631
(23,307)	(1,254,000)	140,372	2,947,099	(450,726)	(649,511)
3,928,497	4,007,943	4,353,993	4,468,305	6,526,885	6,663,120
1,333,240	1,222,863	1,092,350	1,129,521	1,143,505	1,013,187
182,094	204,758	253,320	330,400	340,081	367,364
17,350	21,168	21,022	105,505	129,273	148,324
133,285	128,317	83,743	164,563	179,828	182,583
185,420	166,882	147,341	158,298	(213,467)	(210,886)
44,060	47,552	61,376	81,509	126,358	106,357
99,476	126,059	114,103	101,260	(51,502)	(51,645)
<u>100,422</u>	<u>122,748</u>	<u>124,703</u>	<u>118,912</u>	<u>111,333</u>	<u>122,588</u>
13,284,611	12,599,982	10,527,791	14,884,789	15,537,029	14,039,112
1,197,520	2,061,041	4,375,332	1,172,573	3,121,476	5,779,907
2,747,371	2,254,502	2,439,643	2,533,282	2,521,407	2,403,162
4,344,610	(6,752,565)	791,519	(7,101,535)	7,131,984	(694,600)
-	-	-	-	-	-
<u>7,091,981</u>	<u>(4,498,063)</u>	<u>3,231,162</u>	<u>(4,568,253)</u>	<u>9,653,391</u>	<u>1,708,562</u>
8,289,501	(2,437,022)	7,606,494	(3,395,680)	12,774,867	7,488,469
<u>17,000,000</u>	<u>10,000,000</u>	<u>3,300,000</u>	<u>2,500,000</u>	<u>-</u>	<u>6,100,000</u>
<u>\$ (8,710,499)</u>	<u>\$ (12,437,022)</u>	<u>\$ 4,306,494</u>	<u>\$ (5,895,680)</u>	<u>\$ 12,774,867</u>	<u>\$ 1,388,469</u>

## **Michigan County Road Commission Self-Insurance Pool**

	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
General liability	\$ 4,118,317	\$ 9,207,952	\$ 7,800,757	\$ 7,287,566
Trunkline liability	176,705	68,662	97,471	571,975
Auto physical damage	44,345	14,451	12,849	36,110
Property	249,313	231,978	17,883	162,881
Equipment physical	<u>264,604</u>	<u>(6,616)</u>	<u>447,006</u>	<u>231,937</u>
Total reported losses	<u><b>\$ 4,853,284</b></u>	<u><b>\$ 9,516,427</b></u>	<u><b>\$ 8,375,966</b></u>	<u><b>\$ 8,290,469</b></u>

# **Loss Fund for the Ten-year Period Ended March 31, 2005**

<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
\$ 3,633,179	\$ 3,104,967	\$ 2,474,271	\$ 1,574,376	\$ 2,217,983	\$ 3,736,461
287,836	23,554	34,539	30,169	71,493	556,876
3,965	73,854	37,721	2,168	20,224	20,224
226,426	172,326	73,553	953,585	131,502	180,199
<u>370,585</u>	<u>186,580</u>	<u>543,635</u>	<u>492,529</u>	<u>1,020,822</u>	<u>1,071,068</u>
<b><u>\$ 4,521,991</u></b>	<b><u>\$ 3,561,281</u></b>	<b><u>\$ 3,163,719</u></b>	<b><u>\$ 3,052,827</u></b>	<b><u>\$ 3,462,024</u></b>	<b><u>\$ 5,564,828</u></b>

# Michigan County Road Commission Self-Insurance Pool

## Claim Activity for the Ten-year Period Ended March 31, 2005

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
General liability	102	122	91	98	96	120	107	89	62	55
Trunkline liability	10	6	14	5	3	4	1	2	1	-
Auto physical damage	2	4	3	5	3	4	5	1	3	1
Property	14	15	11	26	13	18	18	22	14	12
Equipment physical	<u>74</u>	<u>80</u>	<u>75</u>	<u>55</u>	<u>64</u>	<u>67</u>	<u>97</u>	<u>88</u>	<u>89</u>	<u>92</u>
Total	<u>202</u>	<u>227</u>	<u>194</u>	<u>189</u>	<u>179</u>	<u>213</u>	<u>228</u>	<u>202</u>	<u>169</u>	<u>160</u>
Claims settled in full	201	225	191	188	176	203	209	180	128	120
Claims pending	<u>1</u>	<u>2</u>	<u>3</u>	<u>1</u>	<u>3</u>	<u>10</u>	<u>19</u>	<u>22</u>	<u>41</u>	<u>40</u>
Total	<u>202</u>	<u>227</u>	<u>194</u>	<u>189</u>	<u>179</u>	<u>213</u>	<u>228</u>	<u>202</u>	<u>169</u>	<u>160</u>
Number of members	<u>73</u>	<u>73</u>	<u>73</u>	<u>73</u>	<u>73</u>	<u>74</u>	<u>77</u>	<u>78</u>	<u>79</u>	<u>79</u>

# **Michigan County Road Commission Self-Insurance Pool**

**Demographic Data  
March 31, 2005**

Total number of members	79
Total property value	\$ 483,124,965
Total number of private passenger vehicles	1,728
Total number of trucks	3,586
Total number of trailers	849
Total miles of streets	81,693
Total population	5,761,366

# **Michigan County Road Commission Self-Insurance Pool**

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## **Scope of Coverages**

### **Liability:**

- Comprehensive general liability
- Public officials liability
- Liquor liability
- Contractual liability
- Umbrella liability
- Auto liability

### **Auto physical damage:**

- Comprehensive
- Collision

### **Property:**

- Buildings
- Contents

### **Equipment physical damage:**

- Construction equipment
- Inventories
- EDP

### **Crime:**

- Money and securities
- Employee fidelity
- Depositors forgery